



**2005
ANNUAL REPORT**

**According to the decision 7/372/15.2.2006
of the BoD of Hellenic Capital Market Commission**

1. COMPANY INFORMATION

1.1. General information regarding the company

The company was founded in 1962 (FEK 582/2.10.62). On 31.12.1996 a merger took place between SIDENOR S.A. and ERLIKON S.A., by the absorption of the former by the latter. A new company was created by the corporate name "SIDENOR Steel Products Manufacturing Company S.A.". The merger was constituted in accordance with the regulations of articles 68, par. 2 and 69-77 of C.L. 2190/20 "about S.A." and articles 1-5 of L. 2166/93 and resulted in the further production, vertical integration, the achievement of important scale economy in the administration expenses and operational cost, the more rational administration management, the expansion of sales and distribution network, the unification of computer systems, the improvement of economic results and the consolidation of the new position of the company in the market.

SIDENOR Steel Products Manufacturing Company S.A.'s registered offices are in Athens, at 2-4 Messogeion Ave., Pyrgos Athinon, Building B', Athens, 115 27 and its headquarters are located at Halandri, 57B Ethnikis Antistaseos St, Athens 152 31, (tel. centre 210-6861111).

It is enlisted in the Register of Societe Anonymes Registry of Athens of the Ministry of Development, number 2310/06/B/86/20. Its duration was determined until the year 2024 and its trade name is "SIDENOR S.A.".

The company's aim, in accordance with article 3 regulations of its charter, is the industrial processing and marketing steel and other relevant metals and its participation in any other enterprise of the same or similar object.

The company is in possession of Thessalonica Prefecture license of operation, number 15F 14.2.1688/21/6459/28-7-2000, which involves the SIDENOR plant of steel processing in Ehedoros municipality, Ionia Thessalonikis (12th klm of Thessaloniki-Veria highway) and is of indefinite duration.

1.2. History

The historical evolution of the company's activities, as well as the events that have influenced the formation of today's presence are the following:

1962

Establishment of 'VIOHALCO - SANITAS Greek Pipeworks, Sanitation and Heating Items S.A.' whose object is to produce steel tubes, heating elements and boilers.

1971

The name is changed to «HALYVOURGIA VOREIOU ELLADOS S.A.».

1974

The commencement of cooperation between ERLIKON S.A. and SIDENOR S.A. SIDENOR becomes the main provider of raw materials for ERLIKON.

1977

The company name changes to 'SIDENOR - HALYVOURGIA VOREIOU ELLADOS S.A.'.

1979

The company name changes to 'SIDENOR - Steel Products Manufacturing Company S.A.'.

1994

ERLIKON S.A., active in the processing of wire products (electrodes, wires, fencing mesh, etc), effects a share capital increase via public registration and the listing of its stock in the Main market of the Athens Stock Exchange.

1997

Merger of the two companies (SIDENOR S.A. and ERLIKON S.A.) is finalised and renaming of the company to SIDENOR S.A.

1998

SIDENOR is awarded with the following certifications:

- ISO 9002 Certificate of Approval for Quality by the Bureau Veritas Quality International,
- Certificate NF-AFCAB by the Association Francaise de Normalisation and by the Association Francaise de Certification des Armatures du Beton,

- Certificate of Quality Compatibility by DIN 488 of the German Organisation for Steel Certification Pruefstelle fur Betonstahl

2000

Commencement of subsidiary SOVEL S.A. rolling mill, which doubles the productivity capacity of long products.

Development of the new concrete-reinforcing steel with increased seismic behaviour, SD, and immediate market distribution.

2001

The electrode production sector (Kilkis branch) was severed from the Company and incorporated into ERLIKON WIRE PROCESSING S.A. SIDENOR's participation in ERLIKON WIRE PROCESSING S.A. rises to 98.9%.

SIDENOR acquired a share of 75% in STOMANA INDUSTRY S.A. (Bulgaria), thus establishing a production base for a dynamic presence in the Bulgarian market and the broader region, as well as a stepping-stone to international markets. The facilities of this company are located in Pernik, covering a total area of 3,150 acres.

2002

The new meltshop of SOVEL was inaugurated at Almyros of Magnesia. SOVEL, with its important investment program, aims to increase and improve its own production and operational procedures and expand the range of its products with new ones of higher added value.

Finally, investment funds are allocated to the expansion and improvement of the port facilities in order to meet the increased needs for imports of raw materials and the exports of finished products.

2003

The participation of SIDENOR S.A. in the affiliate company STOMANA INDUSTRY SA rose to 79.50% by participating in STOMANA's share capital increase.

The absorption of subsidiary KEM S.A., as well as the absorption of the tube division of affiliate METALLOURGIA ATTIKHS S.A., was finalized by SOVEL S.A.

SIDENOR management system was certified by ISO 9001:2000 by the Hellenic Organisation of Standardisation ELOT. It introduces the steel of high performing endurance C.

2004

SIDENOR acquires majority interest in CORINTH PIPEWORKS S.A.

2005

The acquisition and the allocation of a new rolling mill for long products' installation to STOMANA INDUSTRY SA, of annual productivity capacity more than 600 thousand tons, is finalised.

The International Accounting Standards (IAS) are adopted, regarding the organisation and publication of annual financial statements, consolidated and single (p. 27, par. 5 of annual financial statements).

1.3. Main activities

SIDENOR has been involved in the field of iron and steel product manufacturing for more than 40 years, holding a competitive position in the long steel products' market in the southern-eastern Mediterranean. The finalization of significant investments of Euro 370 million in recent years, for the upgrade and expansion of its equipment, gives the company an advantage in production costs. This fact along with the company's competitive advantages, such as production flexibility, favorable geographic unit distribution and extensive distribution and sales network, prompt and comprehensive customer service, as well as quality and innovation, constitute SIDENOR as one of the most significant and efficient high quality producers in the region.

1.4. Main events

2001

Divestiture

The Extraordinary shareholders General Meeting, on 10th April 2001, decided, for the company's better organization and efficiency in the wire trade, on the divestiture of the industrial sector of wire products and welding electrodes production (Kilkis branch). The divestiture was approved by the Prefecture of Athens on 30/4/2001 by the decision No 8844/01 and was enlisted in the Register of Societe Anonymes Registry on the same date.

Expansion in the Balkans

In June 2001, SIDENOR acquired 75% of the company STOMANA INDUSTRY SA, in Bulgaria, thus acquiring a productive base for a dynamic presence in the Bulgarian market and in the broader region. The company's plants are based in Pernik town.

2002

On 26 January 2002 the official operational commencement of the SOVEL meltshop took place in Almyros, Magnesia. The electric arc furnace, of 100 tons capacity, started operating, thus commencing the production process. Exploiting its many years' technical experience of VIOHALKO, SOVEL is aiming, with its significant investment plan, at the production augmentation, by the improvement in productivity processes and the expansion of product range with new products of higher added value. Finally, investments are aiming at the consolidation of port facilities, so as to meet the needs for raw material imports and finalized products' exports.

2003

In 2003 SIDENOR's S.A. participation in STOMANA INDUSTRY S.A. reached 79.50% with its participation in the increase of share capital of the company. During this financial year the absorption of subsidiary KEM S.A., as well as pipeworks sector of affiliate company METALLOURGIA ATTIKIS S.A. by subsidiary SOVEL S.A., occurred. Thus the participation percentage in subsidiary SOVEL S.A., after the exchange of shares, was finalised to 61,45%. The participation to the company CORINTH PIPEWORKS S.A. in 2003 finalised to 48,5% through subsidiary ELMONTE HOLDINGS LTD.

2004

SIDENOR possesses full range of Hollow Structural Sections – HSS in hollow sections and construction pipes, in accordance with European standards. Hollow sections are produced with the use of reinforced endurance steel (ST52 / S355) at SOVEL S.A. plant in Almyros in Magnesia and at CORINTH PIPEWORKS S.A. in Thisvi of Viotia.

The participation percentage in STOMANA INDUSTRY S.A. increased from 79.50% to 85.97%. STOMANA with the new arc furnace produces flat products of new dimensions. Subsidiary TEPROSTEEL S.A. produces special Bright steels for precision axis use.

Subsidiary SOVEL S.A. produces special TUBE GAZ pipes for natural gas and PYRO GAZ pipes for fire mains, while the available hollow sections range is expanded.

The participation in the company CORINTH PIPEWORKS S.A. in 2004 reached 65.08%, through subsidiary ELMONTE HOLDINGS LTD and is included in the consolidated financial statements with total consolidation method.

2005

The participation in the company CORINTH PIPEWORKS S.A. in 2005 was finalized, through subsidiary ELMONTE HOLDINGS LTD, to 76.58%.

1.5. Products

SIDENOR industry in Thessalonica and its subsidiaries produce the following products:

- Hot-rolled concrete reinforcing steel (iron – concrete SD), produced in various qualities (mainly category C – ELOT 1421) and are available in bars or coils
- Mesh (standard, prefabricated cross reinforcement SD, prefabricated reinforcement SIDEFIT 500, custom made construction meshes SIDEFOR 3D for reinforcements, grades and walls)
- Merchant bars, classified according to diameter shape in the following categories: circular diameter bars (round), rectangular diameter bars (flats), square diameter bars (square), bars with U-shape channels diameter UPN, equal angles, as well as mining supporting merchant bars
- Wire rod, available as feed material to a wide range of construction operations (concrete reinforcing mesh, heavy duty galvanism, for welding electrodes), wires, nails etc.
- Hot rolled flat (thick plates)
- Welding electrodes, available in bars and coils with ERLIKON trade mark
- Wire products, including galvanized wires (SYRGAL, EXTRAGAL, SYRGAL HARD) and black as well as fencing mesh in coils (PERINET) and flat sheet (OVERNET)
- «Billets» (square cross section steel prisms) and slabs, used as feed material in steel lamination products manufacturing.
- Steel pipes for water supply-construction (SD TUBE-IBΣ), galvanized and non-galvanized and non-galvanized for heating, as well as pipes for natural gas and PYRO GAZ pipes for fire mains.(SD TUBE PYRO)
- Hollow sections of various diameters (SD HSS EXTRA)
- Narrow strip (scelp) used as feed material, mainly for pipe manufacturing
- Special steels (bright steels) for use in precision axles
- Concrete reinforcing steel fibres (INOMIX)
- Shape pipes
- Large diameter steel pipes for natural gas, oil and water supplies manufactured by the subsidiary company, CORINTH PIPE WORKS.
- Surface treatments for roadworks, sand for sandblasting, ferrous grit and other products from steel by-products.

1.6. Market share – Distribution network

SIDENOR has a competitive position in the long steel market in southern-eastern Mediterranean.

In the domestic market, its position remained powerful and in 2005, and in spite of the tension of the competitive environment the company preserved – and in certain sectors increased- its market shares. The introduction of new products in the production range contributed to this fact, such as the innovative 3D cross reinforcement steel SIDEFOR. SIDENOR in particular covers approximately 42% of reinforcement steel market in bars and coils, 45% of reinforcement steel in mesh market, 25% of tube industry of small diameters and 60% of merchant bars and wire industry. In the European market (EU-15), SIDENOR is estimated to represent 6% of reinforcement steel market.

The company's sales are conducted through an extensive and well-organised distribution network which covers all of Greece, as well as several foreign countries.

The company employs specialized market salesmen and analysts, who observe the finalized changes and developments in every product and client department, so that the company meets all the demanding needs of the customers, in the best possible way. There are also agencies and distribution centres in Germany, UK, France, Bulgaria, Romania and Serbia.

1.7. Quality

High quality of products is of first priority to the company and constitutes a comparable advantage over competition. The accurate definition of quality goals in production and processing lines and the constant and totally successful employees' commitment towards their implementation, have actively contributed to the creation of a leading presence in the market.

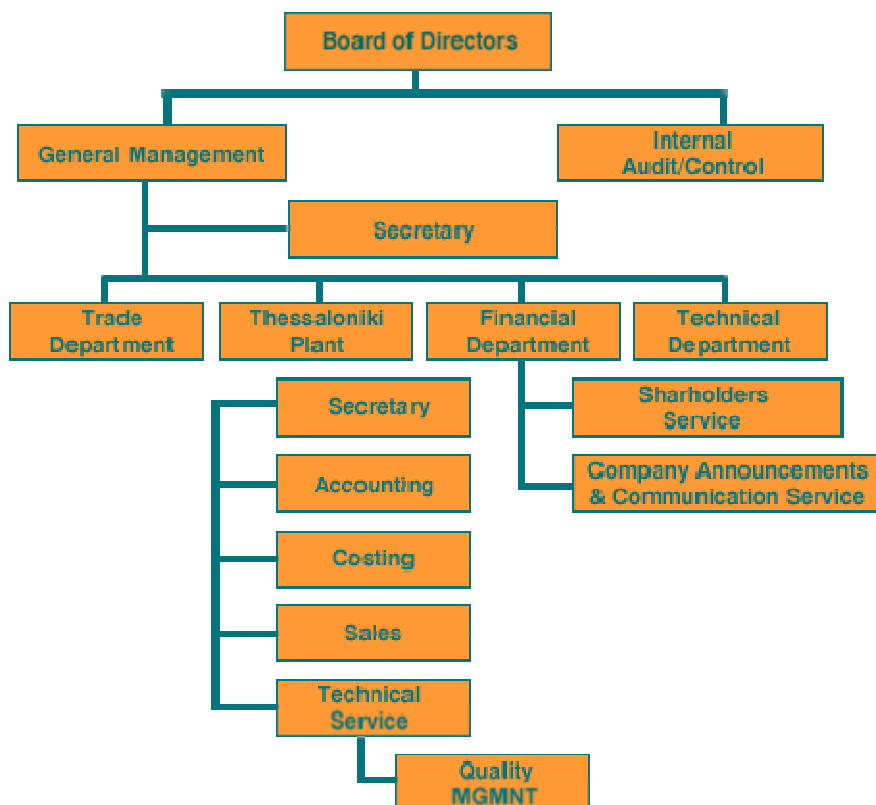
Products are subject to strict quality checks during all stages of production. The achievement of quality in particular starts from the raw material provision, continues to the first production stages and is completed with the inspection of the final products. The employees' contribution in the achievement of the previously mentioned aim is significant, considering that the employees are constantly encouraged to use their knowledge and critical judgment, in order to further the improvement in the quality of products and customer service, working in a constantly developing environment.

The constant pursuit of the achievement of high quality, gave SIDENOR the capacity to be one of the first Greek industries that operate under the internationally certified Quality Compatibility System.

In particular, SIDENOR is in possession of the following certificates that insure high product quality and give it the competitive advantage over its competitors:

- Quality Compatibility System Certificate in accordance ISO 9001:2000, by ELOT (IQNet).
- Quality Compatibility System Certificate for concrete reinforcement steel S500s (in accordance with ELOT standard 971), in bars and coils, by ELOT.
- Quality Compatibility System Certificate for concrete reinforcement steel S220 (in accordance with ELOT standard 959), in bars and coils, by ELOT.
- Quality Compatibility System Certificate for concrete reinforcement steel S500s (BSt500S κατά το πρότυπο DIN 488), in bars and coils, by the German institute of steel certification "PRÜFSTELLE FÜR BETONSTAHL".
- Quality Compatibility System Certificate for concrete reinforcement steel S500s (FeE500-3 in accordance with standard NF A35-016), in bars, by the French institute of steel certification "AFCAB".
- Quality Compatibility System Certificate for concrete reinforcement steel S500s (BSt500S in accordance with standard DIN 488), in bars and coils, by the Romanian institute of steel certification "ICECON".
- Quality Compatibility System Certificate for merchant bars (St37-2 και St44-2 in accordance with standard DIN 17100 or S235JRG2 and S275JR in accordance with standard EN 10025), by the German institute of steel certification "PRÜFSTELLE FÜR BETONSTAHL".
- Quality Compatibility System Certificate concrete reinforcement steel FeB44k in accordance with Decreto Ministeriale 9/1/0996, in bars, by the Ministry of Public Construction Works of Italy (official Italian institute of steel certification).
- Quality Compatibility System Certificate for hollow sections and U-mark tubes από RWTUV, cert. no. 20620370b.

In addition, SIDENOR, always punctual with its dedication in safety and environment issues, was the first steel company to acquire ISO 14001:2004 certification for its main production units.

1.8. Human Resources


The human factor constitutes an element of major importance and for that reason administration has directed policy towards quality upgrade, evaluation and sufficient exploitation of human resources.

Human resources development per category, for the period 2004-2005 is as follows:

Category	2004	2005
Production	163	200
Administration & financial services	95	85
Sales & marketing	59	69
Total	317	354

2. ANNUAL FINANCIAL STATEMENTS (consolidated & non-consolidated)
Balance Sheet

Amounts in Euros	Notes	CONSOLIDATED		COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
ASSETS					
Non-current assets					
Tangible fixed assets	7	738.853.704	746.198.657	144.058.785	149.651.312
Investment in real estate	7	213.087	148.465	30.283	-
Investments in companies that are unified based on net worth	8	17.665.947	16.337.458	5.836.460	5.839.751
Investments in companies that are unified based on total unification	9	-	-	192.703.801	158.435.518
Other Investments in companies		-	-	-	1.360.438
Financial assets available for sale	10	1.555.166	0	1.406.537	
Other investments		-	1.560.878	-	45.102
Deferred tax claims	12	325.314	-	-	
Other receivables	14	4.085.802	3.664.556	1.262.415	1.156.607
		762.699.021	767.910.013	345.298.280	316.488.728
Current assets					
Stocks	13	276.981.244	257.308.144	74.027.032	96.802.832
Commercial & other receivables	14	254.670.552	218.911.118	145.574.368	157.789.665
Other investments			541.647	-	
Derivatives	15	160.812	-	-	
Financial assets at reasonable value through results	11	1.002.873			
Cash on hand & equivalent cash accounts	16	18.389.841	16.880.226	7.864.506	879.202
		551.205.323	493.641.136	227.465.905	255.471.699
Total assets		1.313.904.344	1.261.551.149	572.764.186	571.960.426
OWNER'S EQUITY					
Owner's equity paid to shareholders					
Share capital	17	39.157.717	39.157.717	39.157.717	39.157.717
Premium on capital stock	17	118.091.070	118.091.070	118.091.070	118.091.070
	17	-	-82.624	-	-
Foreign exchange differences from the unification of foreign subsidiary companies	18	-35.859	-244.738	-	-
Other reserves	18	84.384.022	60.798.798	53.627.983	46.220.134
Profits/(losses) carried forward		155.906.311	179.549.345	62.357.376	69.392.182
Total		397.503.261	397.269.568	273.234.146	272.861.103
Minority rights		104.049.509	100.672.581	-	-
Total owner's equity		501.552.770	497.942.149	273.234.146	272.861.103
LIABILITIES					
Long-term liabilities					
Loans	19	359.589.540	413.084.982	164.068.183	222.227.273
Liabilities from leasing	19	1.844.730	3.642.160	-	-
Derivatives	15	1.344.199	-	820.835	-
Deferred tax liabilities	12	81.399.308	74.055.583	23.671.909	23.567.140
Liabilities for personnel compensation due to retirement	20	5.680.325	6.708.850	1.772.579	2.477.030
Subsidies	21	16.152.065	16.098.980	561.082	729.953
Allowances	23	3.990.417	12.819.911	-	2.353
Other long term liabilities		-	-	-	-
		470.000.584	526.410.466	190.894.587	249.003.750
Short-term liabilities					
Suppliers and other liabilities	22	126.520.535	122.262.376	25.997.773	22.652.244
Current tax liabilities	27	1.715.999	13.198.142	700.202	5.038.355
Loans	19	208.454.958	100.075.494	81.937.478	22.404.974
Liabilities from leasing	19	1.789.668	1.662.523	-	-
Derivatives	15	2.679.909	-	-	-
Allowances	23	1.189.922	-	-	-
		342.350.991	237.198.535	108.635.453	50.095.573
Total liabilities		812.351.575	763.609.000	299.530.041	299.099.323
Total liabilities and owner's equity		1.313.904.344	1.261.551.149	572.764.186	571.960.426

The notes on pages 6 to 66 constitute an integral part of these interim financial statements.

Income Statement

		COMPANY	
<i>Amounts in Euros</i>	Notes	1/1-31/12/2005	1/1-31/12/2004
Sales	6	317.850.742	485.611.916
Cost of sales	24	-279.587.378	-421.932.897
Gross profit		38.263.364	63.679.019
Selling expenses	24	-20.762.200	-24.265.421
Administrative expenses	24	-12.597.325	-12.912.130
Other operating income/(expenses) (net)	28	3.338.466	2.050.053
Operating results		8.242.305	28.551.521
Financial income – net	26	-9.071.847	-8.562.781
Dividends profit	28	16.785.704	801.654
Profits/Losses from affiliated companies	28	-	-
Profits before taxes		15.956.162	20.790.394
Income tax	27	-5.416.830	4.178.309
Net profits of the period	6	10.539.332	24.968.703
Distributed to:			
Shareholders of the parent company		10.539.332	24.968.703
Minority rights		-	-
		10.539.332	24.968.703
Profits per share that correspond to the shareholders of the parent company for the period (expressed in Euros per share)			
Basic and reduced	34	0,110	0,261
Depreciation	24	-9.770.674	-10.098.228
		CONSOLIDATED	
<i>Amounts in thousands of Euros</i>	Notes	1/1-31/12/2005	1/1-31/12/2004
Sales	6	957.045.619	915.660.408
Cost of sales	24	-784.274.542	-721.850.513
Gross profit		172.771.078	193.809.895
Selling expenses	24	-83.699.810	-84.512.698
Administrative expenses	24	-31.228.503	-38.009.657
Other operating income/(expenses) (net)	28	-4.581.015	9.842.847
Operating results		53.261.750	81.130.387
Financial income – net	26	-25.025.728	-22.854.130
Dividends profit	28	1.354.517	454.674
Profits/Losses from affiliated companies	28	1.331.763	2.772.733
Profits before taxes		30.922.302	61.503.664
Income tax	27	-13.385.049	10.076.321
Net profits of the period	6	17.537.253	71.579.984
Distributed to:			
Shareholders of the parent company		16.288.584	59.351.297
Minority rights		1.248.669	12.228.688
		17.537.253	71.579.984
Profits per share that correspond to the shareholders of the parent company for the period (expressed in Euros per share)			
Basic and reduced	34	0,171	0,621
Depreciation	24	-47.843.559	-47.912.535

Statement of changes in shareholder's equity

<i>Amounts in thousands of Euros</i>	Paid to the shareholders of the parent company					Total	Minority Rights	Total Owner's equity
	Share capital	Fair Value Reserve	Other reserves	Results carried forward	Foreign Ex. due to unification			
CONSOLIDATED								
Balance as of 1 January 2004	157.166.163	-	54.023.956	128.045.146	-221.165	339.014.100	83.037.913	422.052.013
Foreign exchange differences	-	-	-	-	-23.573	-23.573	-	-23.573
Profit/(loss) directly recognised in owner's equity	-	-	-	-	-	-	-	-
Net profit of the period	-	-	-	59.351.297	-	59.351.297	12.228.688	71.579.984
Total recognised net profit of the period	-	-	-	59.351.297	-23.573	59.327.723	12.228.688	71.556.411
Issuance of share capital/Sales of own shares	-	-	-	-	-	-	8.323.146	8.323.146
Increase in holdings in a subsidiary company	-	-	2.252.066	1.451.010	-	3.703.076	-2.683.873	1.019.203
Transfer of reserves	-	-	4.522.776	-4.522.776	-	-	-	-
Dividend	-	-	-	-4.775.331	-	-4.775.331	-233.293	-5.008.624
	-	-	6.774.842	-7.847.097	-	-1.072.255	5.405.980	4.333.725
Balance as of 31 December 2004	157.166.163	-	60.798.798	179.549.345	-244.738	397.269.568	100.672.581	497.942.149
Application of Inter. Acc. Standards 32 & 39	-	-2.260.998	-	-	-	-2.260.998	-535.280	-2.796.278
Balance as of 1 January 2005	157.166.163	-2.260.998	60.798.798	179.549.345	-244.738	395.008.570	100.137.301	495.145.871
Foreign exchange differences	-	-	-	-	208.879	208.879	-	208.879
Profit/(loss) directly recognised in owner's equity	-	-79.912	-	-	-	-79.912	-21.282	-101.194
Net profit of the period	-	-	-	16.288.584	-	16.288.584	1.248.669	17.537.253
Total recognised net profit of the period	-	-79.912	-	16.288.584	208.879	16.417.552	1.227.386	17.644.938
Issuance of share capital	-	-	-	-	-	-	214.499	214.499
Issuance of share capital/Sales of own shares	82.624	-	-	-	-	82.624	-	82.624
Increase in holdings in subsidiary companies	-	-	1.561.777	-6.016.599	-	-4.454.822	4.402.444	-52.378
Transfer of reserves	-	-	24.364.357	-24.364.357	-	-	-	-
Dividend	-	-	-	-9.550.663	-	-9.550.663	-1.932.120	-11.482.783
	82.624	-	25.926.134	-39.931.618	-	-13.922.861	2.684.822	-11.238.039
Balance as of 31 December 2005	157.248.787	-2.340.910	86.724.932	155.906.311	-35.859	397.503.261	104.049.509	501.552.770
COMPANY								
Balance as of 1 January 2004	157.248.787	-	42.210.796	53.208.149	-	252.667.732	-	252.667.732

Net profit of the period	-	-	-	24.968.703	-	24.968.703	24.968.703
Total recognised net profit of the period	-	-	-	24.968.703	-	24.968.703	24.968.703
Transfer of reserves	-	-	4.009.338	-4.009.338	-	-	-
Dividend	-	-	-	-4.775.331	-	-4.775.331	-4.775.331
Balance as of 31 December 2004	157.248.787	-	46.220.134	69.392.182	-	272.861.103	272.861.103
Application of Inter. Acc. Standards 32 & 39	-	-742.668	-	-	-	-742.668	-742.668
Balance as of 1 January 2005	157.248.787	-742.668	46.220.134	69.392.182	-	272.118.435	272.118.435
Net profit/(loss) directly recognised in owner's equity	-	127.042	-	-	-	127.042	127.042
Net profit of the period	-	-	-	10.539.332	-	10.539.332	10.539.332
Total recognised net profit of the period	-	127.042	-	10.539.332	-	10.666.373	10.666.373
Transfer of reserves	-	-	8.023.475	-8.023.475	-	-	-
Dividend	-	-	-	-9.550.663	-	-9.550.663	-9.550.663
Balance as of 31 December 2005	157.248.787	-615.627	54.243.609	62.357.376	-	273.234.146	273.234.146

The notes on pages 6 to 66 constitute an integral part of these annual financial statements.

Cash Flow Statement

Amounts in Euros

Amounts in Euros	Notes	CONSOLIDATED		COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
Cash flows from operating activities					
Cash flows from operating activities	29	34.114.054	79.916.910	51.379.532	-7.867.454
Interest paid		-25.402.273	-23.707.924	-9.493.483	-7.456.787
Income tax paid	27	-13.561.149	-4.678.640	-5.038.608	-3.580.434
Net cash flows from operating activities		-4.849.368	51.530.346	36.847.441	-18.904.675
Cash flows from investment activities					
Purchase of tangible fixed assets		-42.308.525	-37.806.170	-5.044.459	-6.968.451
Purchase of intangible assets		-221.166	-7.140	-43.262	-
Sale of tangible fixed assets	29	1.616.442	1.640.224	568.514	17.106
Sales of participation	29	3.292	32.000	-	32.000
Dividends received	29	1.354.517	454.674	16.785.704	801.654
Purchase of financial assets available for sale	10		-1.610	-997	-
Purchase of financial assets at reasonable value through results	11	-900.000	-	-	-
Sale of financial assets at reasonable value through results		530.520	-	-	-
Interest received	29	564.474	1.443.577	6.394	4.088
Rise of participation in affiliate companies		-	-164.840	-	-164.840
Rise of participation in subsidiaries		-52.500	-	-34.264.990	-16.865.047
Rise of participation in other participations		-	-456.000	-	-456.000
Other (long-term receivables)		25.583	-	-	-
Net cash flows from investment activities		-39.388.973	-34.863.675	-21.993.097	-23.599.491
Cash flows from financing activities					
Issuance of common shares					
Purchase of own shares	17	82.624	-	-	-
Dividends distributed to the shareholders of the parent company		-9.554.959	-4.774.117	-9.554.959	-4.774.117
Loans received		112.850.026	307.837.760	42.982.229	229.000.000
Settlement of loans		-57.966.005	-332.788.603	-41.608.817	-182.850.108
Payment of leasing principle		-1.670.285	50.290	-	-
Dividends distributed to minority rights		-262.053	-233.293	-	-
Collection of a subsidy	21	1.486.203	5.250.100	-	-
Collection from Share Capital increase		214.499	8.323.146	-	-
Other (please clarify)		466.018	292.975	312.507	280.632
Net cash flows from financing activities		45.646.068	-16.041.743	-7.869.040	41.656.407
Net (decrease)/increase in cash on hand and equivalent cash accounts					
Cash on hand and equivalent cash accounts at the beginning of the period		16.880.226	16.316.951	879.202	1.726.962
Foreign exchange differences in cash on hand and equivalent cash accounts		101.889	-61.653	-	-
Cash on hand and equivalent cash accounts at the end of the period	16	18.389.841	16.880.226	7.864.506	879.202

The notes on pages 6 to 66 constitute an integral part of these annual financial statements.

Additional data and information on the annual financial statements**1. General information**

The interim financial statements include the interim corporate financial statements of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the “Company”) and the interim consolidated financial statements of the Company and its subsidiaries (together the “Group”). The corporate names of the Company’s subsidiaries are presented in Note 6 of the financial statements.

The Group’s main activities include the production and sale of steel and copper products.

The Group is active in Greece, in the broader region of the Balkans and Europe, as well as in the United States of America. The Company’s shares are listed on the Athens Stock Exchange. The SIDENOR group of companies is a member of VIOHALCO.

The Company is seated in Greece, 2-4 Mesogheion Ave. of the Municipality of Athens of the Prefecture of Attiki. The Company’s electronic address is www.sidenor.gr.

The Company’s financial statements have been approved for publication by its Board of Directors on 28 November 2005.

2. Overview of significant accounting policies

The basic accounting principles that were applied during the preparation of the present financial statements are described below. These principles have been applied with consistency in all the presented years, except for IAS 32/29.

2.1 New standards, interpretations and amendment of existing International Accounting Standards

New International Financial Reporting Standards (IFRS), amendments and interpretations have been issued, whose implementation is mandatory for accounting periods beginning on January 1st 2006 and onwards. The Group’s and Company’s assessment regarding the effect from the implementation of the aforementioned new standards and interpretations is presented below:

IAS 19 (amendment) Employee Benefits (effective from January 1st 2006)

This amendment provides companies with the opportunity to choose an alternative recognition method for actuarial profit and losses. New recognition conditions for cases of multi-employer pension plans, for which there is inadequate information for the accounting implementation of defined benefits, may be imposed. Moreover, new disclosure demands have been added. The specific amendment does not apply to the group.

IAS 39 (amendment) Accounting of Cash Flow Hedging for anticipated intra-group transactions (effective from January 1st 2006).

This amendment allows the foreign exchange risk from a highly probable intra-group transaction to be characterized as an item for hedging in the consolidated financial statements with the condition that: (a) the transaction is in a currency different than the currency of the company participating in the transaction and (b) the foreign exchange risk will affect the consolidated income statement. This amendment does not relate to the Group’s operations, as the Group does not have intra-group transactions that could be characterized as items for hedging.

IAS (amendment) Selection of Fair Value (effective from January 1st 2006).

This amendment changes the definition of financial instruments classified at fair value through the results and limits the ability to classify financial instruments in this category. The Group considers that the specific amendment will not have a material affect on the classification of financial instruments, as the Group and the Company will be in a position to adjust to the amended criteria for the definition of financial instruments at market value through the results. The Group and Company will apply this amendment from January 1st 2006.

IAS 39 and IFRS 4 (amendment) Financial Guarantee Contracts (effective from January 1st 2006).

This amendment requires the recognition of issued financial guarantees, except for those that have been proved by the Company as constituting insurance contracts, initially at fair value and following to be valued at the largest value between (a) the net book value of relevant payments received and postponed and (b) the expense required to settle the commitment at the balance sheet date. The Management has reached the conclusion that this amendment does not apply to the Group and the Company.

IFRS 1 (amendment) First Time Adoption of International Financial Reporting Standards and IFRS 6, Exploration and Evaluation of Mineral Sources (effective from January 1st 2006).

These amendments are not relevant to the Group's operations.

IFRS 7, Financial instruments: Disclosures and additional adjustment to IAS 1, Presentation of Financial Statements, Capital Disclosures (effective from January 1st 2007).

IFRS 7 introduces further disclosures aiming at improving the provided information as regards to financial instruments. It requires the disclosure of qualitative and quantitative information relating to the exposure to risk from financial instruments. Specifically, it pre-defines minimum required disclosures related to credit risk, liquidity risk and market risk (it requires sensitivity analysis concerning the market risk). IFRS 7 replaces IAS 30 (Disclosures in Financial Statements of Banks and Financial Institutions) and the requirements of IAS 32, (Financial Information Disclosures and Presentation). It applies to all companies that compile financial statements according to IFRS. The adjustment to IAS 1 introduces disclosures relating to the amount of the company's capital and the way such is managed. The Group and Company assessed the effect of IFRS 7 and the adjustment to IAS 1 and concluded that the additional disclosures required by their implementation are the sensitivity analysis for market risk and the capital disclosures. The Group will apply IFRS 7 and the amendment of IAS 1 from January 1st 2007.

Interpretation 4, Definition of business agreements that include financial leasing (effective from January 1st 2006).

Interpretation 4 requires definition of whether a business agreement includes financial leasing or not. Specifically, it requires an evaluation of the following information: a) if the fulfillment of the agreement depends on the use of a specific fixed asset(s) and b) if the agreement provides the lessee the right to use the fixed asset and only. The Management considers that Interpretation 4 is not expected to affect the accounting of existing business agreements.

Interpretation 5, Rights to Interests in Decommissioning, Restoration and Environment Rehabilitation Funds (effective from December 1st 2006).

Interpretation 5 does not apply to the Group and the Company.

Interpretation 6, Liabilities arises from the participation in specific markets – Processing of Electric and Electronic Equipment waste (effective from December 1st 2005).

Interpretation 6 does not apply to the Group and the Company.

2.2 Framework for the compilation of the financial statements

The Group's annual financial statements dated December 31st 2005 cover the twelve month period until December 31st 2005, have been prepared according to IFRS and are subject to the provisions of International Financial Reporting Standard ("IFRS") 1 "First-time Adoption of International Financial Reporting Standards"), whereas such refer to the period covered by the first IFRS financial statements for the fiscal year ending on December 31st 2005.

According to the transitional provisions of IFRS 1 and of the other relative standards, the Group has applied the standards that are effective beginning on December 31st 2005, to its financial data from January 1st 2004, with the exception of International Accounting Standards 32 and 39. These standards were applied from January 1st 2005 pursuant to the exemption provided for by IFRS 1, and as a result they were not applied to the figures of fiscal year 2004.

Until December 31st 2004 all financial statements had been prepared according to the Greek General Accepted Accounting Principles (GAAP). The GAAP differ from the IFRS at certain points. During the preparation of the current financial statements, the Management amended some of the accounting, valuation and unification methods that it applied in the past according to the Greek General Accepted Accounting Principles so that these may be consistent with the IFRS. The financial figures of 2004 have been adjusted based on these amendments.

Note 5 provides the reconciliation and the effect of this transition (from the GAAP to the IFRS) on both total equity and the results.

The financial statements have been prepared according to the historical cost principle, as this has been amended, by valuating investments available for sale and financial assets and liabilities at fair value through results.

The Group has chosen to reevaluate its real estate and mechanical equipment at fair values and to use these values as their deemed cost as of January 1st 2004, following the exemption provided for by IFRS 1. With regard to real estate the method of comparative approximation was used, while with regard to machinery the method of depreciated cost of replacement was used, as these were verified by independent appraisers.

The preparation of financial statements according to IFRS requires the use of certain important accounting estimations and the exercise of judgment on behalf of the Management during the application of accounting policies. In addition, it requires the use of calculations and assumptions that affect asset and liability figures, the disclosure of potential receivables and liabilities on the day the financial statements are prepared and income and expense figures during the said period. Despite the fact that these calculations are based on the Management's best possible knowledge of current conditions and actions, actual results may differ from these calculations.

The financial statements have been compiled by the Management based on the International Financial Reporting Standards ("IFRS"), as well as the International Accounting Standards ("IAS") and interpretations issued by the International Financial Reporting Interpretations Committee, as such have been adopted by the European Union, and the IFRS issued by the International Accounting Standards Board (IASB).

All IFRS issued by the IASB and that are in effect during the compilation of the present financial statements, have been adopted by the European Council through their validation procedure by the European Union ("EU"), except for the International Accounting Standard (IAS) 39 "Financial Instruments: Recognition and Valuation". Following the proposal by the Accounting Standards Committee, the Council adopted Regulations 2086/2004 and 1864/2005 that require the use of IAS 39, except for specific provisions that refer to hedging of deposit portfolios, by all listed companies from January 1st 2005.

As the Group is not affected by the provisions that refer to hedging of deposit portfolios, which are not required by the issuance of IAS 29 as such has been verified by the EU, the present financial statements have been compiled according to IFRS as such have been adopted by the EU and the IFRS that have been issued by the IASB.

2.2.1 Increase of Participation in Subsidiaries

In case of an increase in its participation percentage in subsidiaries, the Group calculates goodwill based on the book values of the subsidiary's assets. The goodwill results from the comparison of the transaction cost with the book value of third party interest bought and is recognized directly in total equity.

2.2.2 Consolidated financial statements

(a) Subsidiary companies

Subsidiary companies are companies that are controlled by a parent company. The existence of possible potential voting rights that may be exercised on the day on which financial statements are prepared is taken into consideration in determining whether or not a parent company exercises control over its subsidiaries. Subsidiaries are fully consolidated (total consolidation) from the day control over them is acquired and cease to be consolidated from the day this control is no longer exercised.

A subsidiary's buy-out by the Group is recorded in accounting books according to the buy-out method. The acquisition cost of a subsidiary is the reasonable value of its assets that were transferred, of its shares that were issued and of its liabilities that were undertaken on the day the buy-out was effected, plus any cost that is directly associated with the buy-out. Personal assets, liabilities and potential liabilities that are acquired through a business combination are estimated at the time of the buy-out at their reasonable values regardless of the participation percentage. The buy-out cost that exceeds the reasonable values of the individual assets that were acquired is recorded as goodwill. If the total buy-out cost is less than the reasonable value of the individual assets that were acquired, the difference is recorded in the results.

Inter-company transactions, balances and non-realised profits from transactions between the Group's companies are not recorded. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased. The

accounting principles that are applied by the Group's subsidiary companies have been amended so that they may be consistent with those that have been adopted by the Group.

A company records its investments in subsidiary companies at their acquisition cost less devaluation.

(b) Affiliated companies

Affiliated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the participation percentage in the voting rights of an affiliated company ranges between 20% and 50%. Investments in affiliated companies are recorded in accounting books according to the net worth method and are initially recognised at their acquisition cost. The account in which investments in affiliated companies are recorded also includes the goodwill that arises during the buy-out (decreased by possible devaluation losses).

The Group's share in the profits or losses of its affiliated companies after the relative buy-out has been completed is recorded in the results, while its share in changes in reserve accounts after the buy-out has been completed is recorded in the reserve accounts. Accumulated changes affect the book value of the Group's investments in affiliated companies. If the Group's share in the losses of an affiliated company is greater than the value of its investment therein, additional losses are not recognised, unless payments have been made or liabilities have been undertaken on the affiliated company's behalf.

Non-realised profits that arise from transactions between the Group and its affiliated companies are not taken into consideration to the extent of the Group's participation therein. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased. The accounting principles that are applied by the Group's affiliated companies have been amended so that they may be consistent with those that have been adopted by the Group.

The Company records its investments in affiliated companies at their acquisition cost less devaluation.

2.2.3 Foreign exchange conversions

(a) Functional currency and presentation currency (the currency in which financial statements are expressed)

The figures recorded in the financial statements of the Group's companies are expressed in the currency of the economic environment in which each company operates ("functional currency").

The consolidated financial statements are expressed in Euros, which constitutes both the parent company's functional assessment currency and its presentation currency.

(b) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the day the balance sheet is prepared are recorded in the results.

(c) The Group's Companies

The figures recorded in the financial statements of the Group's companies (none of which operate in a hyperinflation economy) that are expressed in a different functional currency from the Group's presentation currency, are converted as follows:

Assets and liabilities are converted based on the exchange rates that are applicable on the day the balance sheet is prepared.

Income and expenses are converted based on the period's average exchange rates (unless the average exchange rate is not a reasonable estimation of the accumulated affect of the exchange rates that were applicable on the day on which the transactions were carried out, in which case income and expenses are converted based on the actual exchange rates that were

applicable on the day on which the transactions were carried out) and any foreign exchange difference that may arise is recorded in an owner's equity reserve account and transferred to the results when these companies are sold.

Foreign exchange differences that may arise due to the conversion of the Group's net investment in a foreign company are recorded in owner's equity. Upon the sale of a foreign company, any accumulated foreign exchange difference is transferred to the income statement as part of the sale's profit or loss.

Goodwill and adjustments of reasonable values that arise from the buy-out of foreign companies are regarded as the latter's assets and liabilities and are converted based on the exchange rate that is applicable on the day the balance sheet is prepared.

2.2.4 Tangible Fixed Assets

Tangible fixed assets are recorded at their acquisition cost less accumulated depreciation and any devaluation. The acquisition cost includes all direct expenses that were incurred during the asset's acquisition.

Expenses that are incurred after the purchase of a tangible fixed asset are recorded as an increase of the tangible fixed asset's book value or as a separate fixed asset only if the Group acquires future financial gains therefrom and the cost thereof may be estimated with a certain degree of reliability. Repair and maintenance costs are recorded in the results when these are incurred.

Lots are not depreciated. Other tangible fixed assets are depreciated based on the straight line method with equal annual charges during the asset's expected service life, so that the asset's cost may be recorded at its residual value at the end thereof. The service lives of tangible fixed assets are set as follows:

- Buildings	10-33	years
- Mechanical equipment	5-20	years
- Vehicles	6-10	years
- Other equipment	3-8	years

The residual value and the service life of any tangible fixed asset may be re-evaluated in any balance sheet, if this is deemed necessary.

When the book value of a tangible fixed asset exceeds its estimated recoverable value, the difference (devaluation) is immediately recorded in the results as an expense.

During the sale of a tangible fixed asset, any difference that may arise between the price that is received and the book value thereof is recorded in the results as a profit or loss.

Financial expenses that concern the construction of an asset are capitalised throughout the period of the asset's construction. All other financial expenses are recognised in the income statement.

2.2.5 Intangible Assets

Software programs

Software licenses are estimated at their acquisition cost, less accumulated amortisation and any accumulated devaluation. These assets are amortised based on the straight line method throughout their service life, which ranges between 3 to 5 years.

Expenses that are incurred for the software's development and maintenance are recognised in the Income Statement as an expense in the year in which they are incurred.

2.2.6 Devaluation of assets

Assets that have an indefinite service life are not depreciated. Their value is decreased on an annual basis even when certain facts indicate that their book value may not be recovered. Assets that are depreciated are subject to control regarding their devaluation when there are indications that their book value will not be recovered. The recoverable value is the greater amount between an asset's reasonable value, less selling expenses, and the use value. Losses due to an asset's devaluation are recorded in the Income Statement as an expense in the year in which they are incurred.

2.2.7 Investments

Accounting Principles 1 January 2004 until 31 December 2004

Investments, with the exception of subsidiary companies, affiliated companies and joint ventures, over which the Group does not exercise significant influence, are recorded at cost, less any allowance for devaluation. Derivatives are not recorded in the balance sheet.

Accounting Principles from 1 January 2005

The Group's investments are classified into the categories noted below based on the purpose for which they were acquired. The Group's Administration decides on the investment's classification at the time the investment was initially recognised and re-examines its classification on every publication date.

(a) Financial assets recorded at their reasonable value with changes to results

This category includes financial assets that were acquired in order to be resold in a short period of time. Financial assets of this category are recorded in a current asset account if they are held for commercial purposes or if they are expected to be sold within 12 months of the day the balance sheet is prepared.

(b) Loans and Receivables

This category includes non-derivates with fixed or designated payments, which are neither traded in active markets nor intended to be sold. These financial assets are recorded in a current asset account, with the exception of those financial assets that have a term greater than 12 months from the day the balance sheet is prepared. These latter assets are recorded in a non-current asset account.

(c) Investments that are held until maturity

This category includes non-derivates with fixed or designated payments and with a specific maturity, and which the Group intends and has the capacity to hold onto until they mature.

(d) Available financial assets

This category includes non-derivatives that are either classified in this category or cannot be classified in any of the aforementioned categories. These assets are recorded in non-current asset accounts provided the Administration does not intend to liquidate them within 12 months of the day the balance sheet is prepared.

The purchase and sale of an investment is recognised on the day the transaction is carried out, which is also the day on which the Group is bound to purchase or sell the asset. Investments are initially recorded at their reasonable value plus the transaction's expenses. Investments are written off when the right to collect the cash flows that arise therefrom expires or is transferred and the Group has substantially transferred all the risks and benefits that ownership thereof entails.

Subsequently, assets that are available for sale are evaluated at their reasonable value and the relative profits or losses are recorded in an owner's equity reserve account until they are sold or devaluated. Upon the sale or devaluation of these assets the profit or loss is transferred to the results. Devaluation losses that have been recognised in the results may not be reversed through the results.

Realised and non-realised profits or losses that arise from changes in the reasonable values of financial assets, evaluated at their reasonable value with changes to the results, are recognised in the period in which they arise.

The reasonable values of financial assets that are traded in stock markets are determined by current purchase prices. The reasonable values of financial assets that are not traded in stock markets are determined by applying evaluation methods, such as analysis of recent transactions, comparable assets that are traded and discounting cash flows.

On every balance sheet date the Group determines whether there is any objective indication that leads to the conclusion that the values of its financial assets have decreased. With regard to shares that have been classified as “financial assets available for sale”, such an indication would be a significant or prolonged decrease in their reasonable value in relation to their acquisition cost. If the asset’s value has indeed decreased, the loss that has accumulated in the owner’s equity account, which constitutes the difference between the acquisition cost and the reasonable value, is transferred to the results. Devaluation losses regarding shares that are recorded in the results may not be reversed through the results.

2.2.8 Derivative Financial Instruments

Hedging of Cash Flows

The efficient part of changes in the fair value of financial derivative, which are characterized and categorized as “cash flow hedging”, is recognized in the net worth. The profit / loss of the non-efficient part is recognized directly in the period’s results.

The amounts accumulated in the net worth are recycled through the results at the time the natural movement is realized. The profit / loss that is related to the effective part of the financial derivative used for hedging purposes, is recognized in the period’s results, specifically in the financial cost.

At the time a financial derivative matures, is sold or is considered non-efficient, then any cumulative loss / profit is transferred from the net worth to the period’s results. When an expected transaction is no longer expected, then the gradual profit / loss is registered directly in the period’s results.

2.2.9 Stocks

Stocks are estimated at the lesser value between their acquisition cost and their net liquid value. The acquisition cost is determined based on the average monthly weighted cost method. Financial expenses are not included in the acquisition cost. The net liquid value is estimated based on the stock’s current sales price, within the framework of ordinary business activities, less any possible selling expenses, wherever such a case concurs.

2.2.10 Clients and other short-term receivables

Receivables from clients are initially recorded at their reasonable value and are subsequently estimated at their unamortised cost based on the true interest rate method, less any devaluation loss. Devaluation losses are recognised when there is an objective indication that the Group is not in a position to collect all the amounts that are due pursuant to relative contractual terms. The amount of the allowance is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted based on the true interest rate method. The amount of the allowance is recorded as an expense in the Income Statement.

2.2.11 Cash and equivalent cash accounts

Cash and equivalent cash accounts include cash on hand and sight deposits.

2.2.12 Reporting per sector

A business sector is defined as a group of assets and activities that provide products and services that are subject to risks and performances different to those that other business sectors are subject to. A geographic sector is defined as a geographic region in which products and services are provided and which is subject to risks and performances different to those that other regions are subject to.

2.2.13 Share capital

Common shares are included in owner’s equity.

Direct expenses that are associated with the issuance of shares are recorded, after the relative income tax has been deducted, as a reduction to the issuance's product. Direct expenses relating to shares that have been issued for the acquisition of a company are included in the acquisition cost thereof.

The acquisition cost of own shares is recorded as a reduction to the Company's owner's equity until these shares are sold, cancelled or re-issued. Any profit or loss that arises from the sale of own shares, net of other direct expenses that are associated with the transaction and taxes, is recorded as a reserve in owner's equity.

2.2.14 Borrowings

Loans are initially recorded at their reasonable value, decreased by any possible direct expenses that are required in order to complete the transaction. They are subsequently evaluated at their unamortised cost based on the true interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the true interest rate method.

Loans are classified as short-term obligations unless the Group has the right to defer the settlement thereof for at least 12 months from the day the balance sheet is prepared. In this case, loans are classified as long-term liabilities.

2.2.15 Deferred Income Tax

Deferred income tax is determined with the method of liability that arises from temporary differences between the book value and the tax base of assets and liabilities. Deferred income tax is not accounted for if it arises from an asset's or liability's initial recognition in a transaction, with the exception of a business combination, which, when the transaction was effected, did not affect the accounting or tax profit or loss. Deferred income tax is determined based on the tax coefficients that are applicable on the day the balance sheet is prepared.

Deferred tax claims are recognised to the extent that a future taxable profit will arise from the use of the temporary difference that creates the deferred tax claim.

Deferred income tax is recognised for the temporary differences that arise from investments in subsidiary and affiliated companies, with the exception of the case in which inversion of temporary differences is controlled by the Group and it is possible that the temporary differences will not invert in the foreseeable future.

2.2.16 Tax

Income tax is calculated based on the tax legislation and the tax rates that are in effect in the countries where the Group's operations take place, and is registered as an expense during the period in which the income arises.

The effect on results carried forward and minority interest due to change of percentage in subsidiaries, is considered as transactions between the Group's shareholders and is thus recognized directly in Total Equity.

2.2.17 Personnel benefits

(a) Benefits following withdrawal from the Service

Benefits following withdrawal from the service include both fixed contributions programs and fixed benefits programs.

The accrued cost of fixed contributions programs is recorded as an expense in the period that it concerns.

The liability that is recorded in the balance sheet for fixed benefits programs is the present value of the commitment for the fixed benefit less the reasonable value of the program's assets, the changes that arise from the non-recognised actuarial profits and losses and the cost of past service. The commitment of the fixed benefit is calculated by an independent actuary with the projected unit credit method.

Actuarial profits and losses that arise from adjustments on the basis of historic data and are above or below the margin of 10% of the accumulated liability are recorded in the results within the expected average insurance term of the program's participants. The cost of past

service is recorded directly in the results, with the exception of the case in which changes to the program depend on the remaining term of the employee's past service. In this case, the cost of past service is recorded in the results based on the fixed method within the maturing period.

(b) Employment termination benefits

Employment termination benefits are paid when employees decide to retire prior to their respective date of retirement. The Group records these benefits when it is bound, or when it terminates the employment of existing employees based on a detailed schedule for which there is no possibility of withdrawal or when it offers these benefits as an incentive for voluntary retirement. Employment termination benefits that are due in 12 months after the day the balance sheet is prepared are discounted.

In the case of employment termination in which the Group is not able to determine the number of employees who will take advantage of this incentive, these benefits are not accounted for but are rather recorded as a potential liability.

2.2.18 Subsidies

State subsidies are recognised at their reasonable value when it is certain that the subsidy will be received and that the Group will comply with all stipulated terms.

State subsidies that concern expenses are deferred and are recorded in the results so that these will match the expenses that they will cover.

State subsidies regarding the purchase of tangible fixed assets are recorded in long-term liability accounts as deferred state subsidies and are transferred as income to the income statement based on the fixed method over the expected service life of these assets.

2.2.19 Allowances

Allowances are recognised when:

- i. There is a present legal or inferred commitment as a result of past events.
- ii. Outflow of funds may be demanded for the commitment's settlement.
- iii. The amount in question may be reasonably estimated.

When there are various similar liabilities, the possibility that an outflow of funds will be demanded during the settlement thereof is determined by examining the category of the liabilities overall. An allowance is recognised even if the possibility of an outflow of funds regarding any asset that is included in the same category of liabilities may be negligible.

2.2.20 Recognition of income

Income includes the reasonable value of goods that have been sold and of services that have been rendered, net of Value Added Tax, discounts and returns. Inter-Group income is not taken into account. Income is recognised as follows:

(a) Sale of goods

Sales of goods are recognised when the Group delivers the goods to its customers, when the goods are received by the latter and when collection of the claim is reasonably guaranteed.

(b) Provision of services

Income from the provision of services is accounted for in the period in which the services are rendered, based on their stage of completion in relation to all the services that shall be rendered.

(c) Income from interest

Income from interest is recognised based on time proportion and with the use of the true interest rate. When receivables decrease, the book value thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the initial true interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied on the decreased (new book) value.

(d) *Dividends*

Dividends are accounted for as revenues when a right to collect is established.

2.2.21 Leases

Leases of fixed assets, in which the Group substantially maintains all the risks and benefits that ownership thereof entails, are classified as leasing. Leasing is capitalised from the moment the lease begins at the lesser amount between the fixed asset's reasonable value and the present value of the minimum lease amounts. The corresponding liabilities that arise from the leases, net of financial expenses, are recorded in liability accounts. The part of the financial expenses that concerns leasing is recorded in the results during the term of the lease.

Leases, in which the lessor substantially maintains all the risks and benefits, are classified as operating leases. Payments that are made with regard to operating leases are recognised in the results on a fixed basis during the term of the lease.

2.2.22 Dividend distribution

The distribution of dividends to the parent company's shareholders is recognised as a liability in the consolidated financial statements when the distribution thereof is approved by the General Meeting of the shareholders.

3 Financial risk management

3.1 Financial risk factors

The Group is exposed to financial risks, such as market risks (changes to foreign exchange rates, interest rates, market prices), credit risks and liquidity risks. The Group's general risk management program focuses on the fact that financial-credit markets cannot be forecasted and seeks to minimise the potential negative affect thereof on the Group's financial performance.

Risk management is carried out by the Group's central finance department, which operates with specific rules that have been approved by the Board of Directors. The Board of Directors provides instructions and guidelines on the general management of risks, as well as special instructions on the management of specific risks, such as foreign exchange risks, interest rate risks and credit risks.

(a) *Market risk*

The Group is active in Europe, and consequently the greater part of the Group's transactions are carried out in Euros. However, part of the Group's purchases in merchandise is denominated in US Dollar. Immediate payment of these suppliers significantly reduces the foreign exchange risk.

(b) *Credit risk*

The Group has adopted and applies credit control procedures with the purpose of minimising doubtful claims and immediately covering claims with commercial paper. No client exceeds 10% of sales and, consequently, commercial risk is allocated over a large number of clients. Goods and services are provided on a wholesale basis primarily to clients with a creditable credit history. The Department of Credit Control sets the credit limits of each client and applies specific sales and collections terms. According to the Group's policy, receivables from clients are secured.

(c) *Liquidity risk*

Liquidity risk is kept at a low level by having sufficient cash on hand and sufficient credit limits with collaborating banks.

(d) *Interest rate fluctuation risk*

The Group's loan obligations are associated with fluctuating interest rates that, depending on market conditions, may either remain fluctuated or may become fixed. The group uses derivatives in order to offset interest rate risks (SWAPS).

3.2 Fair value estimation

The fair values of financial instruments traded in active markets (stock markets) (e.g. derivatives, shares, bonds, mutual funds) are set according to the published prices that are valid on the day the balance sheet is prepared. The reasonable value of financial assets is determined by their offer price, while the reasonable value of financial liabilities is determined by their demand price.

The fair values of financial assets that are not traded in active markets are set through the use of evaluation techniques and standards that are based on market data on the day the balance sheet is prepared.

The nominal value less allowances for doubtful commercial claims is deemed to approximate their actual value. The actual values of financial liabilities, for the purpose of being recorded in financial statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for the Group for the use of similar financial-credit means.

4 Critical accounting estimates and judgements of the Administration

The Administration's estimates and judgements are re-examined on a continuous basis and are based on historical figures and expectations of future events, which are deemed reasonable pursuant to that which is in force.

4.1 Significant accounting evaluations and acknowledgments

The Group proceeds in evaluations and acknowledgements with regard to the development of future events. Evaluations and acknowledgements that entail a significant probability that they will cause substantial adjustments to the book values of assets and liabilities in the following 12 months are:

- a) The Group's judgment is required in order to determine the income tax allowance. There are many transactions and estimations for which the tax's final determination is uncertain. If the final tax is different than the initially recognised tax, the difference shall affect the income tax and the allowance for deferred taxation of the period.
- b) The Group forms an allowance for disputed cases based on evidence provided by the Group's Legal Department.
- c) The Group forms allowances for contractual obligations to its clients, which are estimated based on historical and statistical data that arose from the resolution of corresponding past cases.
- d) The Group forms allowance for devaluations of holdings by taking into consideration the future benefits that shall arise therefrom.

4.2 The Administration's decisive judgments on the application of accounting principles

The Administration's estimations were not required in order to apply accounting principles.

4.3 Expenses reorganization

Some of year's 2004 expenses have been reorganized in order to be comparable with the ones of year 2005.

5 Transition to the International Financial Reporting Standards

5.1 Basic principles of transition to the International Financial Reporting Standards

5.1.1 Application of IFRS 1

The Group's financial statements are the first annual financial statements that have been prepared in compliance with the International Financial Reporting Standards. These financial statements have been prepared as described in point 2.1. The Group's date of transition is 1 January 2004. The Group prepared its opening balance sheet on this date in compliance with the International Financial Reporting Standards.

In preparing these financial statements according to IFRS 1, the Group applied the mandatory exceptions and certain optional exceptions provided by the complete retroactive application of the International Financial Reporting Standards.

5.1.2 Exemptions from the complete retroactive application that the Group decided

The Group decided to apply the following optional exemptions provided by the complete retroactive application:

Exemption of affiliated companies (IFRS 3)

The Group decided not to retroactively apply IFRS 3 ("Business Combinations") to company combinations that arose prior to the date of transition to the International Financial Reporting Standards (1 January 2004).

Reasonable values as the Deemed Cost (IAS 1-16)

The Group decided to re-estimate real property and mechanical equipment at reasonable values and to use these values as the deemed cost as of 1 January 2004. With regard to real estate the method of comparative approximation was used, while with regard to machinery the method of depreciated cost of replacement was used, as these were verified by independent appraisers.

Exemption of benefits provided to personnel

The Group decided to recognise all accumulated actuarial profits and losses as it did on 1 January 2004.

Exemption of accumulated foreign exchange differences from conversions

On 1 January 2004, the Group decided to set all accumulated foreign exchange differences that arose from converting the balance sheets of its foreign subsidiary companies to zero. This exemption has been applied to all of the Group's subsidiary companies pursuant to IFRS 1.

Financial information (IAS 32 & 39)

The Group has chosen to apply the exemption for comparative assets that concern IAS 32 and 39. The Group has re-classified Derivatives as Derivatives that are used for offsetting risks. The adjustments that are related to IAS 32 and IAS 39 will be duly presented on the opening date of the Balance Sheet of 1 January 2005, which is also the date of transition for IAS 32 and IAS 39.

5.1.3 Exceptions from the complete retroactive application that the Group followed

The Group has applied the following mandatory exceptions from retroactive application:

(a) Exception to write off financial assets and liabilities

Financial assets that were written off prior to 1 January 2004 are not recognised again according to the International Financial Reporting Standards.

(b) Estimation exceptions

Estimations that were effected on 1 January 2004 according to the International Financial Reporting Standards must agree with the estimations that were effected on the same day according to the General Acceptable Accounting Principles, unless it has been determined that these estimations were incorrect.

(c) *Hedge Accounting*

Since 1 January 2005, the Group's Management applies hedge accounting only if the hedge relation fulfils all hedge accounting criteria pursuant to International Accounting Standard 39.

5.2 Reconciliations between the IFRS and the GAAP

The following reconciliations provide a quantitative affect of the transition to the IFRS. The first reconciliation provides an overview of the effect on owner's equity as of 1 January 2004, 30 June 2004 and 31 December 2004. The following reconciliations provide the transition's effect on:

Owner's equity as of 1 January 2004, 30 June 2004 and 31 December 2004 (Note 5.2.1)

The Balance Sheet as of 1 January 2004 (Note 5.2.2)

The Balance Sheet as of 31 December 2004 (Note 5.2.3)

Net profits for 9 months until 30 September 2004 (Note 5.2.4)

The Income Statement for 9 months until 30 September 2004 (Note 5.2.5)

The reconciliation of the Balance Sheet as of 1 January 2005 due to the adoption of IAS 32 & 39 (Note 5.2.6)

5.2.1 Reconciliation of net worth according to GAAP and IFRS as at 31/12/04

<u>COMPANY (Amounts in €)</u>	<u>1.1.2004</u>	<u>31.12.2004</u>
Total net worth according to GAAP	186.884.411	193.199.746
<i><u>Readjustments due to the transition to IFRS</u></i>		
Write-off of entries for 2003 distribution until approval by the General Meeting	4.775.331	-
Write-off of entries for 2004 distribution until approval by the General Meeting	-	11.425.663
Readjustment of provisions for employee benefits based on the projected unit credit method and recording actuarial profits and losses	-1.984.756	-1.984.756
Readjustment of accumulated depreciations, which now reflect the useful economic lives of tangible fixed assets	-	1.526.154
Readjustment for deferred taxation	-33.364.130	-33.364.130
Offsetting entries for the readjustment of fixed assets' value based on L.2065/1992 (Govt. Gaz. 113 A')	-	-173.464
Offsetting entries for tax of fixed assets' readjustment	-	13.177
Offsetting of taxes	-	6.293.025
Write off of intangible assets that do not fulfill the recognition criteria of the IFRS	-2.087.461	-2.367.068
Total tax for the period	-	4.178.309
Results from provisions for staff retirement benefits	-	51.248
Write-off of income from Provisions of Doubtfuls	-	-2.166.072
Recognition of Distribution in the Results	-	-1.875.000
Other	894	-686.628
Reclassification of the total amount of subsidies from total equity into Other Long-term Liabilities	-953.966	-606.508
Provisions for doubtful claims	1.296.295	1.296.295
Readjustment of the value of lots, buildings and machinery at fair value	98.456.563	98.456.563
Devaluation of participations	-355.451	-355.451
Total transition readjustments	65.783.320	79.661.357
Total net worth according to IFRS	252.667.732	272.861.103

<u>CONSOLIDATED (Amounts in thousand €)</u>	<u>1.1.2004</u>	<u>31.12.2004</u>
Total net worth according to GAAP	197.721.325	246.030.285
<i><u>Readjustments due to the transition to IFRS</u></i>		
Effect from the first full consolidation of subsidiary	-10.537.552	-10.537.552
Readjustments of deferred taxation	-97.604.293	-75.113.899
Write-off of intangible assets and long-term depreciation expenses	-24.356.971	-22.748.945
Restatement of the value of lots, buildings and machinery	366.973.192	395.718.350
Reclassification of subsidies in Long-term Liabilities	-8.077.101	-16.238.484
Restatement of provisions for employee benefits	-5.194.277	-5.517.179
Net worth of companies not consolidated	2.378.917	2.378.917
Recognition of provisions	-2.458.987	-11.263.298
Offsetting entries for dividends of years 2003 - 2004	4.775.331	7.858.136
Offsetting entry of third party interests in owed capital	-	-11.274.134
Difference in surplus value from consolidation in subsidiary	-	1.977.968
Foreign exchange differences	-	-89.162
Devaluation of participations	-	-355.451
Change of consolidation method	-	586.727
Own shares	-	-82.624
Other	-1.567.571	-1.755.245
Change of accounting principle for valuation of inventories	-	-2.103.632
Transfer of provision for valuation of liabilities in foreign currency to the income statement	-	1.222.883

Write-off of income from depreciations of subsidies	-	-2.911.282
Difference from income of associate companies	-	771.371
Total transition readjustments	224.330.687	251.911.863
 Total net worth according to IFRS	 422.052.012	 497.942.148

5.2.2 Reconciliation of the Balance Sheet as of 1 January 2004

<u>COMPANY (Amounts in Euros)</u>	GAAP	Readjustments due to the transition to the IFRS	IFRS
ASSETS			
Non-current assets			
Tangible fixed assets	56.940.961	95.668.743	152.609.705
Intangible assets	2.087.461	-2.087.461	-
Investments in companies that are unified based on net worth	5.674.911	-	5.674.911
Investments in companies that are full consolidated	151.770.471	-10.200.000	141.570.471
Other investments in companies	1.336.990	-355.451	981.540
Deferred Tax Liabilities	-	-	-
Other receivables	1.110.846	-	1.110.846
	218.921.641	83.025.832	301.947.473
Current assets			
Stocks	78.828.773	-1.705.884	77.122.888
Commercial & other receivables	115.000.346	15.986.421	130.986.767
Current tax claims	4.021.162	-	4.021.162
Cash on hand & equivalent cash accounts	1.726.962	-	1.726.962
	199.577.243	14.280.537	213.857.779
Total assets	418.498.883	97.306.369	515.805.252
LIABILITIES			
Owner's equity			
Share capital	39.157.717	-	39.157.717
Premium on capital stock	118.091.070	-	118.091.070
Other reserves	21.364.083	20.846.712	42.210.796
Profits/(losses) carried forward	8.271.541	44.936.608	53.208.149
Accumulated losses	-	-	-
Total owner's equity	186.884.411	65.783.320	252.667.732
Long-term liabilities			
Loans	50.387.281	-	50.387.281
Deferred tax liabilities	-	33.364.130	33.364.130
Liabilities for personnel compensation due to retirement	640.791	1.984.756	2.625.547
Subsidies	-	953.966	953.966
Allowances	894	-894	-
	51.028.966	36.301.957	87.330.923
Short-term liabilities			
Suppliers and other liabilities	28.229.988	-4.778.909	23.451.080
Current tax liabilities	4.260.442	-	4.260.442
Loans	148.095.075	-	148.095.075
Provisions	-	-	-
	180.585.506	-4.778.909	175.806.597
Total long-term & short-term liabilities	231.614.472	31.523.048	263.137.520
Total liabilities	418.498.883	97.306.369	515.805.252

Reconciliation of the Balance Sheet as of 1 January 2004 (Contd')
CONSOLIDATED (Amounts in Euros)

	GAAP	Readjustments due to the transition to the IFRS	IFRS
ASSETS			
Non-current assets			
Tangible fixed assets	249.854.532	508.060.111	757.914.643
Intangible assets	9.653.907	-9.365.368	288.539
Investments in companies that are unified based on net worth	28.522.300	-15.397.663	13.124.637
Investments in companies	1.660.400	-355.522	1.304.878
Deferred Tax Liabilities	-	3.418	3.418
Other receivables	2.801.475	1.031.188	3.832.662
	292.492.613	483.976.164	776.468.777
Current assets			
Stocks	161.474.587	56.244.039	217.718.626
Commercial & other receivables	103.261.900	43.075.329	146.337.229
Securities	-	664.127	664.127
Current tax claims	5.293.227	-	5.293.227
Cash on hand & equivalent cash accounts	7.558.568	8.758.384	16.316.951
	277.588.281	108.741.879	386.330.160
Total assets	570.080.894	592.718.043	1.162.798.937
LIABILITIES			
Owner's equity			
Share capital	157.248.787	-82.624	157.166.163
Premium on capital stock	-143.379	-77.786	-221.165
Foreign exchange differences from the unification of subsidiary companies	-7.645.953	61.669.909	54.023.956
Other reserves	2.926.198	125.118.948	128.045.146
Profits/(losses) carried forward	-	-	-
	152.385.653	186.628.447	339.014.100
Minority rights	45.335.673	37.702.240	83.037.913
Total owner's equity	197.721.325	224.330.688	422.052.013
Long-term liabilities			
Loans	85.710.087	60.881.097	146.591.184
Deferred tax liabilities	-	97.604.293	97.604.293
Liabilities for personnel compensation due to retirement	710.133	5.915.602	6.625.735
Subsidies	-	12.153.791	12.153.791
Allowances	538.275	3.826.750	4.365.025
Other long term liabilities	1.195.734	-	1.195.734
	88.154.229	180.381.533	268.535.761
Short-term liabilities			
Suppliers and other liabilities	39.168.121	30.266.514	69.434.635
Current tax liabilities	6.002.000	-	6.002.000
Loans	239.035.219	157.739.308	396.774.528
	284.205.340	188.005.823	472.211.163
Total long-term & short-term liabilities	372.359.569	368.387.355	740.746.924
Total liabilities	570.080.894	592.718.043	1.162.798.937

5.2.3 Reconciliation of the Balance Sheet as of 31 December 2004
COMPANY (Amounts in thousands of Euros)

	GAAP	Readjustments due to the transition to the IFRS	IFRS
ASSETS			
Non-current assets			
Tangible fixed assets	53.708.719	95.943.593	149.651.312
Intangible assets	969.746	(969.746)	-
Investments in companies that are unified based on net worth	5.839.751	-	5.839.751
Investments in companies that are unified based on total unification	179.125.518	(20.690.000)	158.435.518
Other investments in companies	1.760.990	(355.451)	1.405.540
Other receivables	1.156.607	-	1.156.607
	242.561.332	73.927.396	316.488.728
Current assets			
Stocks	97.069.910	(267.079)	96.802.832
Commercial & other receivables	135.109.580	22.680.085	157.789.665
Current tax claims	-	-	-
Cash on hand & equivalent cash accounts	879.202	-	879.202
	233.058.693	22.413.006	255.471.699
Total assets	475.620.024	96.340.402	571.960.426
LIABILITIES			
Owner's equity			
Share capital	39.157.717	-	39.157.717
Premium on capital stock	118.091.070	-	118.091.070
Other reserves	29.200.388	17.019.746	46.220.134
Profits/(losses) carried forward	6.750.571	62.641.611	69.392.182
Total owner's equity	193.199.746	79.661.357	272.861.103
Long-term liabilities			
Loans	222.227.273	-	222.227.273
Deferred tax liabilities	-	23.567.140	23.567.140
Liabilities for personnel compensation due to retirement	543.522	1.933.508	2.477.030
Subsidies	-	729.953	729.953
Allowances	894	1.459	2.353
	222.771.689	26.232.061	249.003.750
Short-term liabilities			
Suppliers and other liabilities	30.942.572	(8.290.329)	22.652.244
Current tax liabilities	6.298.689	(1.260.334)	5.038.355
Loans	22.404.974	-	22.404.974
Provisions	2.353	(-2.353)	-
	59.648.589	(9.553.016)	50.095.573
Total long-term & short-term liabilities	282.420.278	16.679.045	299.099.323
Total liabilities	475.620.024	96.340.402	571.960.426

Reconciliation of the Balance Sheet as of 31 December 2004 (continued)

CONSOLIDATED (Amounts in thousands of Euros)	GAAP	Readjustments due to the transition to the IFRS	IFRS
ASSETS			
Non-current assets			
Tangible fixed assets	365.172.309	381.026.348	746.198.657
Intangible assets	18.012.348	(17.863.883)	148.465
Investments in companies	13.764.942	2.572.515	16.337.458
Deferred tax claims	1.916.451	(355.573)	1.560.878
Other receivables	4.863.596	(1.199.040)	3.664.556
	403.729.646	364.180.367	767.910.013
Current assets			
Stocks	264.205.434	(6.897.290)	257.308.144
Commercial & other receivables	224.173.485	(5.262.367)	218.911.118
Other investments	512.906	28.742	541.647
Own shares	82.624	(-82.624)	-
Cash on hand & equivalent cash accounts	15.832.060	1.048.166	16.880.226
	504.806.508	(11.165.372)	493.641.641
Total assets	908.536	353.015	1.261.551
LIABILITIES			
Owner's equity			
Share capital	39.157.717	-	39.157.717
Premium on capital stock	118.091.070	-	118.091.070
Own shares	-	(82.624)	(82.624)
Foreign exchange differences from the unification of subsidiary companies	(155.576)	(89.162)	(244.738)
Other reserves	55.010.363	5.788.435	60.798.768
Profits/(losses) carried forward	(38.119.913)	217.669.258	179.549.345
	173.983.661	223.285.907	397.269.568
Minority rights	72.046.624	28.625.956	100.672.581
Total owner's equity	246.030.285	251.911.863	497.942.149
Long-term liabilities			
Loans	413.084.982	-	413.084.982
Deferred tax liabilities	-	74.055.583	74.055.583
Liabilities for personnel compensation due to retirement	1.431.458	5.277.392	6.708.850
Subsidies	-	16.098.980	16.098.980
Liabilities from leasing	-	3.642.160	3.642.160
Allowances	1.906.038	10.913.873	12.819.911
	416.422.478	109.987.988	526.410.466
Short-term liabilities			
Suppliers and other liabilities	129.485.897	(7.223.521)	122.262.376
Current tax liabilities	16.522.000	(3.323.858)	13.198.142
Loans	100.075.494	1.662.523	1662.523
	246.083.391	(8.884.857)	237.198.535
Total long-term & short-term liabilities	662.505.869	101.103.131	763.609.000
Total liabilities	908.536.154	353.014.995	1.261.551.149

5.2.4 Reconciliation of net profits for 12 months period until 31 December 2004
COMPANY (Amounts in Euros)
Total profit according to GAAP **25.003.657**
Readjustment due to the transition to IFRS

Total Taxes for the period	4.178.309
Restatement of depreciations that now reflect the useful economic lives of tangible fixed assets	743.690
Results from provisions for staff retirement benefits	51.248
Write-off of income from Provisions of Doubtfuls	-2.166.072
Write-off of intangible assets that do not fulfill the recognition criteria of the IFRS	-279.607
Recognition of Distribution in the Results	-1.875.000
Other	-687.522
Total transition readjustment	-34.954
Total profit according to IFRS	24.968.703

CONSOLIDATED (Amounts in Euros)
TOTAL
Total profit according to GAAP (before taxes) **48.504.792**
Readjustment due to the transition to IFRS

Total Taxes for the period	10.076.321
Restatement of depreciations that now reflect the useful economic lives of tangible fixed assets	28.745.158
Results from other provisions	-7.393.517
Results from provisions and staff retirement benefits	-322.902
Write-off of intangible assets that do not fulfil the recognition criteria of the IFRS	1.608.026
Write-off of income from Provisions of Doubtfuls	-2.633.676
Recognition of Distribution in the Results	-2.567.000
Change of accounting principle for valuation of inventories	-2.103.632
Transfer of the provision for valuation of liabilities in foreign currency to the income statements	1.222.883
Write-off of income from depreciations of subsidies	-2.911.282
Difference of income from associate companies	771.371
Recognition of other tax expenses	-989.886
Increase in acquisition cost of subsidiary	-435.732
Other	9.063
Total transition readjustment	23.075.192
Total profit according to IFRS	71.579.984

5.2.5 Reconciliation of the Income statement of 12months until 31 December 2004

<u>COMPANY (Amounts in thousands of Euros)</u>	GAAP	Readjustments due to transition to the IFRS	IFRS
Sales	485.611.916	-	485.611.916
Cost of sales	-422.052.221	119.324	-421.932.897
Gross profit	63.559.695	119.324	63.679.019
Selling expenses			
Administrative expenses	-24.548.863	283.442	-24.265.421
Other operating income/(expenses) (net)	-10.368.073	-2.544.057	-12.912.130
Operating results	1.367.304	682.750	2.050.053
	30.010.063	-1.458.542	28.551.521
Financial income/(expenses)			
Income from participations	-8.527.007	-35.774	-8.562.781
Profits/Losses from affiliated companies	801.654	-	801.654
Extraordinary and non-operating expenses	-316.850	316.850	-
Extraordinary and non-operating income	649.642	-649.642	-
Extraordinary profits	5.077	-5.077	-
Extraordinary losses	-868.032	868.032	-
Expenses of previous fiscal years	3.104.538	-3.104.538	-
Income from allowances of previous fiscal years	144.573	-144.573	-
Income from previous fiscal years	25.003.657	-4.213.263	20.790.394
Allowances for extraordinary contingencies			
Profits before taxes	-5.618.680	9.796.989	4.178.309
Income tax			
Net profits of the period	19.384.977	5.583.726	24.968.703

<u>CONSOLIDATED (Amounts in thousands of Euros)</u>	GAAP	Readjustments due to transition to the IFRS	IFRS
Sales	909.122.852	6.537.556	915.660.408
Cost of sales	-738.783.123	16.932.611	-721.850.513
Gross profit	170.339.729	23.470.167	193.809.895
Selling expenses	-77.747.090	-6.765.609	-84.512.698
Administrative expenses	-27.902.504	-10.107.153	-38.009.657
Other operating income/(expenses) (net)	4.534.324	5.308.523	9.842.847
	69.224.460	11.905.928	81.130.387
Operating results	-27.742.132	4.888.002	-22.854.130
Financial income/(expenses)			
Profit/Losses from subsidiaries	2.001.362	771.371	2.772.733
Income from dividends	454.674	-	454.674
Extraordinary and non-operating expenses	-6.029.242	6.029.242	-
Extraordinary and non-operating income	9.524.796	-9.524.796	-
Extraordinary profits	167.869	-167.869	-
Extraordinary losses	-2.843.842	2.843.842	-
Expenses of previous fiscal years	-1.220.070	1.220.070	-
Income from allowances of previous fiscal years	3.625.701	-3.625.701	-
Income from previous fiscal years	1.341.216	-1.341.216	-
Profits before taxes	48.504.792	12.998.871	61.503.664
Income tax	-13.403.959	23.480.280	10.076.321
Net profits of the period	35.100.833	36.479.151	71.579.984

5.2.6 Reconciliation of the Balance Sheet as of 1 January 2005 due to the adoption of International Accounting Standards 32 & 39

<u>COMPANY (Amounts in thousands of Euros)</u>	IFRS 31/12/2004	Readjustments due to the adoption of Inter. Acc. Standards 32 & 39	IFRS 1/1/2005
ASSETS			
Non-current assets			
Tangible fixed assets	149.651.312	-	149.651.312
Intangible assets	-	-	-
Investments in companies that are unified based on net worth	5.839.751	-	5.839.751
Investments in companies that are unified based on total unification	158.435.518	-	158.435.518
Other investments in companies	1.405.540	-	1.405.540
Other receivables	1.156.607	-	1.156.607
	316.488.728	-	316.488.728
Current assets			
Stocks	96.802.832	-	96.802.832
Commercial & other receivables	157.789.665	-	157.789.665
Current tax claims	-	-	-
Cash on hand & equivalent cash accounts	879.202	-	879.202
	255.471.699	-	255.471.699
Total assets	571.960.426	-	571.960.426
LIABILITIES			
Owner's equity			
Share capital	39.157.717	-	39.157.717
Premium on capital stock	118.091.070	-	118.091.070
Reserves at reasonable value	-	(742.668)	(742.668)
Other reserves	46.220.134	-	46.220.134
Profits/(losses) carried forward	69.392.182	-	69.392.182
Total owner's equity	272.861.103	(74.668)	272.118.435
Long-term liabilities			
Loans	222.227.273	-	222.227.273
Deferred tax liabilities	53.567.140	-	53.567.140
Liabilities for personnel compensation due to retirement	2.477.030	-	2.477.030
Subsidies	729.953	-	729.953
Derivatives	-	742.268	742.268
Allowances	2.353	-	2.353
	249.003.750	743	249.746.418
Short-term liabilities			
Suppliers and other liabilities	22.652.244	-	22.652.244
Current tax liabilities	5.038.	-	5.038.355
Loans	22.404.974	-	22.404.974
	50.095.573	-	50.095.573
Total long-term & short-term liabilities	299.099.323	742.668	299.841.991
Total liabilities	571.960.426	-	571.960.426

**Reconciliation of the Balance Sheet as of 1 January 2005 due to the adoption of International Accounting Standards 32 & 39
(Contd')**

CONSOLIDATED (Amounts in thousands of Euros)	IFRS 31/12/2004	Readjustments due to the adoption of Inter. Acc. Standards 32 & 39	IFRS 1/1/2005
ASSETS			
Non-current assets			
Tangible fixed assets	746.198.657	-	746.198.657
Intangible assets	148.465	-	148.465
Investments in companies that are unified based on net worth	16.337.458	-	16.337.458
Investments in companies	17.898.336	-	17.898.336
Deferred tax claims	-	-	-
Other receivables	3.664.556	-	3.664.556
	767.910.013	-	767.910.013
Current assets			
Stocks	257.308.144	-	257.308.144
Commercial & other receivables	218.911.118	-	218.911.118
Other Investments	541.647	-	541.647
Cash on hand & equivalent cash accounts	16.880.226	-	16.880.226
	493.641.136	-	493.641.136
Total assets	1.261.551.149	-	1.261.551.149
LIABILITIES			
Owner's equity			
Share capital	39.157.717		39.157.717
Premium on capital stock	118.091.070		118.091.070
Own shares	(82.624)		(82.624)
Foreign exchange differences due to the unification of foreign subsidiary companies	(244.738)		(244.738)
Reserves at reasonable value	-	(2.260.997)	(2.260.997)
Other reserves	60.798.798		60.798.798
Profits/(losses) carried forward	179.549.345		179.549.345
	397.269.568	(2.260.997)	397.269.568
Minority rights	100.672.581	(535.280)	100.672.581
Total owner's equity	497.942.149	(2.796.277)	495.145.872
Long-term liabilities			
Loans	413.084.982	-	413.084.982
Deferred tax liabilities	74.055.583	-	74.055.583
Liabilities for personnel compensation due to retirement	6.708.850	-	6.708.850
Subsidies	16.098.980	-	19.098.980
Liabilities from leasing			
Derivatives		2.796.277	2.796.277
Provisions	12.819.911	-	12.819.911
	526.410.466	-	526.410.466
Short-term liabilities			
Suppliers and other liabilities	122.262.376	-	122.262.376
Current tax liabilities	13.198.142	-	13.198.142
Loans	100.075.494	-	100.075.494
Liabilities from leasing	1.662.523	-	1.662.523
Derivatives	0	2.796.277	2.796.277
	237.198.535	2.796.277	239.994.811
Total long-term & short-term liabilities	763.609.000	2.796.277	766.405.277
Total liabilities	1.261.551.149	-	1.261.551.149

6 Segment Information

Primary reporting format – business segments

The Group is divided into two business sectors:

- (1) Steel products that are used in construction activities
- (2) Pipework products

The results per sector for the 9 months until 30 September 2005 and 31 December 2004, respectively, are as follows: 12 month period ending on December 31st 2004 (Amounts in €)

	Steel	Pipe-works	Non-distributed	Total
Total gross sales per segment	1.037.797.478	230.902.796		1.268.700.273
Intra-company sales	-338.680.589	-14.359.276		-353.039.865
Net sales	699.116.889	216.543.519		915.660.408
Operating Profit	97.863.080	-16.732.693		81.130.387
Financial income - expenses	-	-	22.854.131	-
Share in affiliate companies' results	-	-	3227.407	-
Earnings before taxes	97.863.080	-16.732.693	19.626.724	81.130.387
Income tax			10.076.321	
Net earnings	97.863.080	-16.732.693	-9.550.403	81.130.387

31/12/2004	Steel	Pipe-works	Non-distributed	Total
Assets	919.277.170	338.115.097	4.158.881	1.261.551.149
Total liabilities	334.867.262	341.488.014	87.253.724	676.355.276
Investments in tangible, intangible fixed assets and investments in property	30.233.353	7.579.958		37.813.310

Other items per segment included in the results for the 12 month period ending on December 31st 2004

12 month period ending on December 31st 2004 (Amounts in €)	Steel	Pipe-works	Non-distributed	Total
Depreciations of tangible fixed assets	-35.814.085	-11.951.283		-47.765.368
Depreciations of intangible fixed assets	-147.168	-		-147.168
Depreciations of investments in property	-	-		-
Total depreciations	-35.961.252	-11.951.283		-47.912.535
Impairment of receivables	155.329	170.744		326.073
Impairment of inventories	-	-2.133.519		-2.133.519

Results for each segment for the 12 month period ending on December 31st 2005

12 month period ending on December 31st 2005 (Amounts in €)	Steel	Pipe-works	Non-distributed	Total
Total gross sales per segment	872.063.390	270.703.809		1.142.767.199

Intra-company sales	-178.839.212	-6.882.368		-185.721.580
Net sales	693.224.179	263.821.441		957.045.619
Operating Profit	44.188.262	9.073.528		53.261.790
Financial income - expenses	-	-	-25.025.728	-
Share in affiliate companies' results	-	-	2.686.240	-
Earnings before taxes	44.188.262	9.073.528	-22.339.488	53.261.790
Income tax			-13.385.049	
Net earnings	44.188.262	9.073.528	-35.724.537	53.261.790
31/12/2005	Steel	Pipe-works	Non-distributed	Total
Assets	936.826.458	372.894.368	4.183.518	1.309.720.826
Total liabilities	442.599.190	286.637.078	83.115.307	729.236.268
Investments in tangible, intangible fixed assets and investments in property	37.731.585	4.798.106		42.529.692

Other items per segment included in the results for the 12 month period ending on December 31st 2005

12 month period ending on December 31st 2004 (Amounts in thousand €)	Steel	Pipe-works	Non-distributed	Total
Depreciations of tangible fixed assets	-35.426.288	-12.260.757	-	-47.687.045
Depreciations of intangible fixed assets	-156.515	-	-	-156.515
Total depreciations	-35.582.803	-12.260.757	-	-47.843.559
Impairment of receivables	-1.000.000	-1.261.074	-	-2.261.074
Impairment of inventories	-	-1.344.660	-	-1.344.660

Notes:

The expenses per sector have been defined by the operating activities of each sector.

Transfers and transactions between segments are conducted under real commercial terms and conditions, according to those in effect for transactions with third parties.

The assets do not include the deferred tax receivable, the participations and the derivatives held for commercial purposes.

The liabilities include the operating liabilities (including those from derivatives used for hedging of future transactions). Tax liabilities and possible corporate borrowings that cannot be allocated to the sectors are not included.

Amounts in €

Sales

	CONSOLIDATED DATA	
	31/12/2005	31/12/2004
Greece	418.157.753	414.889.159
European Union	218.971.958	232.790.733
Other European countries	144.053.955	139.902.502
Asia	38.328.667	19.186.402
America	49.450.755	50.150.764
Africa	87.948.442	58.740.848
Oceania	134.089	-
Total	957.045.619	915.660.408

Analysis of sales per category

Amounts in €

	31/12/2005	31/12/2004
Sales of merchandise & products	1.053.386.930	975.341.916
Income from services	83.217.129	277.226.888
Other	6.163.140	16.131.468
Intra-company	-185.721.580	-353.039.865
Total	957.045.619	915.660.408

Total assets

	31/12/2005	31/12/2004
Greece	925.222.714	994.875.368
Foreign	388.681.630	266.675.780
Total	1.313.904.345	1.261.551.148

Investments in tangible, intangible assets & property

	31/12/2005	31/12/2004
Greece	21.046.843	26.205.512
Foreign	21.482.849	11.607.798
Total	42.529.692	37.813.310

7. Tangible fixed assets
CONSOLIDATED DATA

	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
Amounts in €							
Cost or fair value							
Balance as at January 1st 2004	88.516.283	179.172.966	446.812.615	10.813.830	11.255.506	32.064.506	768.635.706
Foreign exchange differences	-2.149	-3.988	-15.470	-426	-2.689	-1.074	-25.796
Additions	534.372	2.786.418	20.299.870	504.442	2.092.298	11.479.851	37.697.251
Sales	-21.425	-99.420	216.591	-2.305.381	-88.648	-	-2.298.283
Destructions	-75.928	-5.917	-1.242.804	-158.625	-120.506	-	-1.603.780
Reclassifications	-	2.891.371	29.958.481	-	20.567	-32.778.615	91.805
Balance as at December 31st 2004	88.951.153	184.741.430	496.029.283	8.853.840	13.156.528	10.764.668	802.496.903
Accumulated depreciations							
Balance as at January 1st 2004	-	-6.811	-1.268.809	-2.915.616	-6.529.827	-	-10.721.063
Foreign exchange differences	-	-	-	5.576	1.975	-	7.551
Depreciations for the period	-	-8.727.631	-35.653.396	-1.207.428	-2.176.913	-	-47.765.368
Sales	-	10.347	15.986	1.008.666	76.212	-	1.111.212
Destructions	-	551	889.020	64.981	114.872	-	1.069.423
Balance as at December 31st 2004	-	-8.723.544	-36.017.199	-3.043.821	-8.513.681	-	-56.298.245
Net book value as at December 31st 2004	88.951.153	176.017.886	460.012.084	5.810.018	4.642.848	10.764.668	746.198.657

	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
Amounts in €							
Cost or fair value							
Balance as at January 1st 2005	88.951.153	184.741.430	496.029.283	8.853.840	13.156.528	10.764.668	802.496.903
Foreign exchange differences	-4.282	-8.055	-19.182	5.320	11.468	-1.115	-15.846
Additions	1.134.321	4.051.651	16.995.766	291.422	786.259	13.966.992	37.226.411
Sales	-101.412	-745.588	-728.976	-72.602	-243.871	-	-1.892.449
Destructions	-	-68.901	-84.235	-7.630	191	-	-160.575
Reclassifications	-	724.536	6.622.833	-3.244.132	113.304	862.098	5.078.640
Sales of subsidiaries	-	-	-315.240	-5.000	-	-	-320.240
Balance as at December 31st 2005	89.979.780	188.695.074	518.500.250	5.821.218	13.823.879	25.592.642	842.412.843
Accumulated depreciations							
Balance as at January 1st 2005	-	-8.723.544	-36.017.199	-3.043.821	-8.513.681	-	-56.298.245
Foreign exchange differences	-	389	4.072	-4.843	-9.325	-	-9.708
Depreciations for the period	-	-8.984.868	-36.247.845	-630.000	-1.824.332	-	-47.687.045
Sales	-	15.330	147.258	63.140	136.135	-	361.863

Destructions	-	4.800	60.921	4.959	-178	-	70.502
Reclassifications	-	-3.187	-377.181	396.400	-12.539	-	3.493
Balance as at December 31st 2005	-	-17.691.080	-72.429.974	-3.214.164	-10.223.921	-	-103.559.139

Net book value as at December 31st 2005	89.979.780	171.003.994	446.070.276	2.607.054	3.599.958	25.592.642	738.853.704
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COMPANY DATA

	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
<i>Amounts in €</i>							
Cost or fair value							
Balance as at January 1st 2004	20.463.444	29.447.250	96.827.367	599.220	5.150.444	3.749.602	156.237.327
Additions	71.675	687.450	4.315.178	3.913	571.992	1.328.943	6.979.151
Sales	-	-	-	-8.287	-83.938	-	-92.225
Destructions	-	-	-201.672	-7.149	-	-	-208.821
Reclassifications		661.699	2.963.087	-	3.598	-3.455.532	172.852
Balance as at December 31st 2004	20.535.119	30.796.399	103.903.960	587.696	5.642.096	1.623.013	163.088.283

Accumulated depreciations

Balance as at January 1st 2004	-	-	-	-535.258	-3.092.365	-	-3.627.623
Foreign exchange differences	-	-	-	-	-	-	-
Depreciations for the period	-	-1.445.248	-7.463.530	-26.120	-1.163.329	-	-10.098.228
Sales	-	-	-	8.287	71.771	-	80.058
Destructions	-	-	201.672	7.149	-	-	208.821
Balance as at December 31st 2004	-	-1.445.248	-7.261.859	-545.941	-4.183.924	-	-13.436.971

Net book value as at December 31st 2004

20.535.119	29.351.151	96.642.102	41.754	1.458.173	1.623.013	149.651.312
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	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
<i>Amounts in €</i>							
Cost or fair value							
Balance as at January 1st 2005	20.535.119	30.796.399	103.903.960	587.696	5.642.096	1.623.013	163.088.283
Foreign exchange differences	-	-	-	-	-	-	-
Additions	-	309.618	2.166.028	3.000	262.432	2.303.382	5.044.459
Sales	-230.004	-687.746	-	-	-32.864	-	-950.614
Reclassifications	-	7.265	1.149.244	-	-	-1.156.489	20
Balance as at December 31st 2005	20.305.115	30.425.536	107.219.232	590.696	5.871.665	2.769.905	167.182.149

Accumulated depreciations

Balance as at January 1st 2005	-	-1.445.248	-7.261.859	-545.941	-4.183.924	-	-13.436.972
Depreciations for the period	-	-1.444.335	-7.550.578	-23.128	-739.655	-	-9.757.696
Sales	-	40.119	-	-	31.186	-	71.304

Balance as at December 31st 2005							
	-	-2.849.464	-14.812.437	-569.069	-4.892.393	-	-23.123.363

Net book value as at December 31st 2005	20.305.115	27.576.071	92.406.795	21.627	979.272	2.769.905	144.058.785
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Leased mechanical equipment and vehicles included in the above based on financial leasing:

Mechanical equipment

<i>Amounts in €</i>	CONSOLIDATED DATA	
	31/12/2005	31/12/2004
Cost - capitalized financial leases	9.069.380	9.069.381
Accumulated depreciations	-2.393.424	-1.788.903
Net book value	6.675.956	7.280.478

Vehicles

<i>Amounts in €</i>	CONSOLIDATED DATA	
	31/12/2005	31/12/2004
Cost - capitalized financial leases	391.382	-
Accumulated depreciations	-109.843	-
Net book value	281.539	-

Intangible assets
CONSOLIDATED DATA
Amounts in €

Cost or fair value

	Software	Other	Total
Balance as at January 1st 2004	-	297.129	297.129
Additions	7.140	-	7.140
Impairment	-	-17	-17
Balance as at December 31st 2004	7.140	297.112	304.252

Accumulated depreciations

Balance as at January 1st 2004	-8.620	-	-8.620
Foreign exchange differences	-	1	1
Depreciations for the period	-198	-146.969	-147.168
Balance as at December 31st 2004	-8.819	-146.968	-155.787

Net book value as at December 31st 2004
-1.679 150.143 148.465
Amounts in €

Software Other Total

Cost or fair value

Balance as at January 1st 2005	7.140	297.112	304.252
Foreign exchange differences	-	-61	-61
Additions	43.262	177.905	221.167
Balance as at December 31st 2005	50.402	474.956	525.358

Accumulated depreciations

Balance as at January 1st 2005	-8.819	-146.968	-155.787
Foreign exchange differences	-	32	32
Depreciations for the period	-13.455	-143.060	-156.515
Balance as at December 31st 2005	-22.274	-289.996	-312.270

Net book value as at December 31st 2005
28.128 184.959 213.088
Intangible Assets
COMPANY DATA
Amounts in €

Software Other Total

Cost or fair value

Balance as at January 1st 2005	-	-	-
Additions	43.262	-	43.262
Balance as at December 31st 2005	43.262	-	43.262

Accumulated depreciations

Balance as at January 1st 2005	-	-	-
Depreciations for the period	-12.979	-	-12.979
Balance as at December 31st 2005	-12.979	-	-12.979
Net book value as at December 31st 2005	30.283	-	30.283

8 Investments in associates

<i>Amounts in thousands of Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Beginning of the period	16.337.458	13.124.637	5.839.751	5,674.911
Profit/loss (after taxes) share	2.377.042	3.458.235	0	0
Income from dividends	-1.045.280	-410.255		
Additions / reductions		164.840		164.845
Sales	-3.292		-3.292	
Other changes	19			
Balance at year end	17.665.947	16.337.458	5.836.460	5.839.751

Brief financial information on affiliated companies:

Corporate Name	Country	Participation percentage	
		31/12/2004	31/12/2005
31 December 2004			
SIDMA S.A.	Greece	29.62%	23.98%
DIAPEM S.A.	Greece	33.35%	33.35%
BEPEN S.A.	Greece	50.00%	50.00%
METALLOURGIA ATTIKIS S.A.	Greece	50.00%	50.00%
ELKEME. S.A.	Greece	20.00%	20.00%

	31/12/2004	31/12/2005
ASSETS	148.414.998	164.450.641
LIABILITIES	97.133.191.216	97.748.145
TURNOVER	137.191.216	127.928.864
PROFIT (LOSSES) AFTER TAXES	11.449.062	2.960.825

9 Investments in companies that are consolidated with Full Consolidation method
2004

Corporate Name	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip. % 31/12/2005	Activity sector
SOVEL S.A	Greece	61.45%	0.49%	61.94%	Rebar
DEPAL S.A.	Greece	90.92%	0%	90.92%	Rebar
STOMANA INDUSTRY S.A.	Bulgaria	85.97%	0%	85.97%	Rebar
ERLIKON WIRE PROCESSING S.A.	Greece	98.92%	0%	98.92%	Rebar
AEIFOROS S.A.	Greece	90.00%	0%	90.00%	Rebar
ETAL S.A.	Greece	83.26%	10.29%	93.55%	Rebar
PROSAL S.A.	Greece	70.00%	0%	70.00%	Pipe-work
TEPRO STEEL EAD	Bulgaria	100.00%	0%	100.00%	Rebar
ELMONTE HOLDINGS LIMITED	Cyprus	100.00%	0%	100.00%	Rebar
BOZETI LTD	Cyprus	100.00%	0%	100.00%	Rebar
BEMET S.A.	Greece	100.00%	0%	100.00%	Rebar
ETIL S.A.	Greece	3.89%	60.10%	63.98%	Rebar
PRAKSYS S.A.	Greece	51.00%		51.00%	Rebar
DIAPITHIVA S.A.	Greece	30.50%	33.59%	64,09%	Pipe-work
AEIFOROS BULGARIA S.A.	Bulgaria	0%	90.00%	90.00%	Rebar
BET S.A.	Greece	0%	60.52%	60.52%	Pipe-work
BEAT S.A.	Greece	0%	39.94%	39.94%	Rebar
SIGMA S.A.	Bulgaria	0%	63.34%	63.34%	Rebar
ARGOS S.A.	Greece	0%	63.34%	63.34%	Rebar
CORINTH PIPEWORKS S.A.	Greece	0%	65.08%	65.08%	Pipe-work

2005

Corporate Name	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip. % 31/12/2005	Activity sector
SOVEL S.A	Greece	61.45%	0.49%	61.94%	Rebar
DEPAL S.A.	Greece	90.92%	0%	90.92%	Rebar
STOMANA INDUSTRY S.A.	Bulgaria	85.97%	0%	85.97%	Rebar
ERLIKON WIRE PROCESSING S.A.	Greece	98.92%	0%	98.92%	Rebar
AEIFOROS S.A.	Greece	90.00%	0%	90.00%	Rebar
ETAL S.A.	Greece	83.26%	10.29%	93.55%	Rebar
PROSAL S.A.	Greece	70.00%	0%	70.00%	Pipe-work
TEPRO STEEL EAD	Bulgaria	100.00%	0%	100.00%	Rebar
ELMONTE HOLDINGS	Cyprus	100.00%	0%	100.00%	Rebar

LIMITED					
BOZETI LTD	Cyprus	100.00%	0%	100.00%	Rebar
BEMET S.A.	Greece	100.00%	0%	100.00%	Rebar
ETIL S.A.	Greece	3.89%	60.10%	63.98%	Rebar
PRAKSYS S.A.	Greece	51.00%		51.00%	Rebar
DIAPITHIVA S.A.	Greece	30.50%	39.53%	70.03%	Pipe-work
AEIFOROS BULGARIA				90.00%	Rebar
S.A.	Bulgaria	0%	90.00%		
BET S.A.	Greece	0%	60.52%	60.52%	Pipe-work
BEAT S.A.	Greece	0%	39.94%	39.94%	Rebar
SIGMA S.A.	Bulgaria	0%	63.34%	63.34%	Rebar
ARGOS S.A.	Greece	0%	63.34%	63.34%	Rebar
CORINTH PIPEWORKS				76.58%	
S.A.	Greece	0%	76.85%		Pipe-work

10 Available for sale financial assets

Amounts in €

	CONSOLIDATED	COMPANY
Balance as at January 1st 2004	1.969.005	981.540
Additions	456.000	456.000
Sales	-32.000	-32.000
Valuation affecting the results	-122.480	-
Reclassifications	-168.000	-
Balance as at December 31st 2004	2.102.525	1.405.540
Non current assets	1.560.878	1.405.540
Current assets	541.647	-
	2.102.525	1.405.540

Financial assets available for sale include the following:

	CONSOLIDATED 31/12/2004	COMPANY 31/12/2004
<u>Listed securities</u>		
- Domestic participations	520.624	5.150
<u>Non listed securities</u>		
- Domestic participations	295.291	139.953
- Foreign participations	1.260.437	1.260.437
Other	26.174	-
	2.102.525	1.405.540
<i>Profit / (loss) from the sale of financial assets</i>		
<i>Net Book Value</i>	32.000	32.000
Profit or (loss) from the sale	-	-
Income from the sale	32.000	32.000

Balance as at December 31st 2004		
Effect from implementation of IAS 32 & 39	1.553.557	1.405.540
Balance as at January 1st 2005	1.553.557	1.405.540
Additions	1.610	997
Balance as at December 31st 2005	1.555.166	1.406.537
Non current assets	1.555.166	1.406.537
	1.555.166	1.406.537

	CONSOLIDATED	COMPANY
	31/12/2005	31/12/2005
<u>Listed securities</u>		
- Domestic participations	5.150	5.150
<u>Non-listed securities</u>		
- Domestic participations	287.970	139.953
- Foreign participations	1.262.047	1.261.434
	1.555.166	1.406.537

The effect from the implementation of IAS 32 & 39 was used only for the beginning balances of 1/1/2005, which is also the first implementation date of the specific standards.

The financial assets available for sale of fiscal year 2004, are depicted in the financial statements in the account other investments.

11 Financial Assets at Fair Value through the Results

Amounts in €

Balance as at December 31st 2004

Effect from implementation of IAS 32 & 39

Balance as at January 1st 2005

Additions

Sales

Fair value changes

Balance as at December 31st 2005

Current assets

CONSOLIDATED	COMPANY
548.968	-
900.000	-
-447.896	-
1.801	-
1.002.873	-
1.002.873	-
1.002.873	-

The financial assets at fair value through the results include the following:

	CONSOLIDATED	COMPANY
	31/12/2005	31/12/2005
<u>Listed securities</u>		
- Domestic participations	68.000	-
<u>Non-listed securities</u>		
- Domestic participations	7.337	-
- Bonds	900.000	-
- Mutual funds	27.536	-
	1.002.873	-
Profit / (losses) of fair value of other financial assets at fair value through the results	-5.219	-

12 Deferred Income Tax

	CONSOLIDATED DATA		COMPANY DATA	
<i>Amounts in €</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Deferred tax receivables	325.314	-	-	-
Deferred tax liabilities	-81.399.308	-74.055.583	-23.671.909	-23.567.140
Deferred tax receivables				
Recoverable after 12 months	325.314	-	-	-
	325.314	-	-	-
Deferred tax liabilities				
Recoverable after 12 months	-81.399.308	-74.055.583	-23.671.909	-23.567.140
	-81.399.308	-74.055.583	-23.671.909	-23.567.140

The total change in deferred income tax is as follows:

	CONSOLIDATED DATA		COMPANY DATA	
<i>Amounts in €</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance at beginning of period	-74.055.583	-97.600.875	-23.567.140	-33.364.130
Foreign exchange differences	20.230	847	-	-
(Debit) / credit in income statement	-7.950.757	23.544.445	-309.977	9.796.989
Tax (debited) / credited to total equity	912.115	-	205.209	-
Balance at end of period	-81.073.995	-74.055.583	-23.671.909	-23.567.140

The movements of deferred tax receivables and liabilities prior to their offsetting, are as follows:

CONSOLIDATED DATA

Deferred Tax Liabilities	Difference in depreciations	Difference in Provisions	Non-identifiable intangible assets	Change in tax rate	Other	Total
<i>Amounts in €</i>						
Balance as at January 1st 2004	-111.054.161	-90.752	346	-	-87.162	-111.231.729
Foreign exchange differences	4.889	-	-	-	242	5.131
(Debit) / credit in income statement	-13.100.424	-582.606	-898.923	-	-233.359	-14.815.311
(Debit) / credit in Total Equity	-1.899.302	-84.230	-	-	-	-1.983.532
Balance as at December 31st 2004	-126.048.998	-757.588	-898.577	-	-320.279	-128.025.442
Balance as at January 1st 2005	-126.048.998	-757.588	-898.577	-	-320.279	-128.025.442
Foreign exchange differences	478	-	-	-	-	478
(Debit) / credit in income statement	-7.736.121	-161.276	51.210	-	-1.546.563	-9.392.751
Balance as at December 31st 2005	-133.784.641	-918.864	-847.367	-	-1.866.842	-137.417.714

Deferred tax Asset:

Deferred Tax Assets	Difference in depreciations	Difference in Provisions	Non-identifiable intangible assets	Change in tax rate	Tax losses	Other	Total
<i>Amounts in €</i>							
Balance as at January 1st 2004	2.727.476	2.067.299	8.635.530	-	-	200.548	13.630.854
Foreign exchange differences	-2.692	-	-	-	-	-1.592	-4.283
(Debit) / credit in income statement	11.613.424	1.408.753	481.984	23.605.552	-	1.250.043	38.359.756
(Debit) / credit in Total Equity	1.899.302	84.230	-	-	-	-	1.983.532
Balance as at December 31st 2004	16.237.511	3.560.282	9.117.514	23.605.552	-	1.449.000	53.969.859
Balance as at January 1st 2005	16.237.511	3.560.282	9.117.514	23.605.552	-	1.449.000	53.969.859
Foreign exchange differences	2.965	-	-	-	-	-	2.965
(Debit) / credit in income statement	2.542.596	-845.459	-914.095	-	3.174	347.250	1.133.466
(Debit) / credit in Total Equity	-	-	-	-	-100.000	1.012.115	912.115
Balance as at December 31st 2005	18.783.072	2.714.823	8.203.419	23.605.552	-96.826	2.808.365	56.018.406

COMPANY DATA

Deferred Tax Liabilities	Difference in depreciations	Difference in Provisions	Non-identifiable intangible assets	Change in tax rate	Tax losses	Other	Total
<i>Amounts in €</i>							
Balance as at January 1st 2004	-34.459.797	-	-	-	-	-34.459.797	
(Debit) / credit in income statement	-334.693	-	-	-	-	-334.693	
Balance as at December 31st 2004	-34.794.490	-	-	-	-	-34.794.490	0
Balance as at January 1st 2005	-34.794.490	-	-	-	-	-34.794.490	
(Debit) / credit in income statement	-212.475	-483.553	-	-	-58.647	-754.675	
Balance as at December 31st 2004	-35.006.964	-483.553	-	-	-58.647	-35.549.164	

Deferred tax receivables:

Deferred Tax Assets	Difference in depreciations	Difference in Provisions	Non-identifiable intangible assets	Change in tax rate	Tax losses	Other	Total
<i>Amounts in €</i>							
Balance as at January 1st 2004	-	365.056	730.611	-	-	-	1.095.667
(Debit) / credit in income statement	-	528.706	70.144	9.532.832	-	-	10.131.682
Balance as at December 31st 2004	-	893.762	800.755	9.532.832	-	-	11.227.349
Effect from implementation of IAS 32 & 39	-	-	-	-	-	205.209	205.209
Balance as at January 1st 2005	-	893.762	800.755	9.532.832	-	205.209	11.432.558
(Debit) / credit in income statement	253.141	-	-	-	-	191.556	444.697

Balance as at December 31st 2005

253.141	893.762	800.755	9.532.832	-	396.765	11.877.255
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Deferred Tax Assets

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Balance at beginning of period	-	-	-	-
Foreign exchange differences	16.787	-	-	-
Credit in income statement	308.527	-	-	-
Balance at end of period	325.314	-	-	-

The tax rate, with which the deferred tax is calculated, is equal to the rate expected to be in effect during the reversal of the temporary tax differences (Note 2.2.15). For companies operating in Greece, the rate is 25%.

13Inventories

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Merchandise	8.863.305	4.380.655	2.425.211	2.768.011
Finished products	128.524.315	91.811.741	43.121.419	47.011.442
Semi-finished products	33.588.496	21.968.017	5.207.161	8.955.172
By-products & residues	3.248.204	20.276.166	508.146	561.079
Production under way	89.572	110.756	-	-
Raw & secondary materials-consumables-spare parts & packaging materials	104.012.012	120.894.329	22.765.095	37.507.127
Total	278.325.904	259.441.663	74.027.032	96.802.832
Minus: Provisions for useless, belated and destroyed inventories:				
Finished products	-1.344.660	-2.122.854	-	-
Semi-finished products	-	-10.665	-	-
	-1.344.660	-2.133.519	-	-

During 2005, there was an impairment of inventories amounting to €1,344 thousand, which emerged after the valuation of the subsidiary company CORINTH PIPEWORKS S.A.'s inventories at market values. (During fiscal year 2004, €2,134 thousand).

14 Trade & Other Receivables

Current Assets	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Customers	126.859.680	118.171.419	38.885.796	66.780.972
Minus: Impairment provisions	-3.425.671	-2.091.555	-1.059.472	-947.141
Net customer receivables	123.434.009	116.079.863	37.826.324	65.833.831
Prepayments for purchase of inventories	656.930	-	558.317	267.079
Prepayments for purchase of fixed assets	429.351	-	10.076	-
Other prepayments	389.837	232.472	271.128	26.906
Notes-checks receivable & marked	56.137.424	53.957.755	51.605.045	49.578.196
Receivables from affiliated parties	26.415.650	7.085.256	36.491.378	23.606.944
Receivables from other companies of participating interest	303	2.581.573	303	303
Current tax receivables	16.410.833	14.533.631	12.145.741	11.716.798
Other debtors	28.079.006	20.495.722	4.449.384	3.884.032
Prepayment of income tax	3.858.204	4.158.881	3.318.376	3.089.611
Minus: Impairment provisions	-1.140.994	-214.036	-1.101.704	-214.036
Total	254.670.552	218.911.118	145.574.368	157.789.665
Non Current Assets				
Other long-term receivables	4.085.803	3.664.556	1.262.415	1.156.607
	4.085.803	3.664.556	1.262.415	1.156.607
Total receivables	258.756.355	222.575.674	146.836.783	158.946.271

During 2005, an additional impairment of receivables amounting to €2,261 thousand was recognized after their characterization as doubtful (During fiscal year 2004 €326 thousand).

15 Derivatives

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Current assets				
Forward foreign exchange contracts for hedging of cash flows	160.812	-	-	-
Total	160.812	-	-	-
Long-term liabilities				
Interest rate swaps	1.344.199	-	820.835	-
Total	1.344.199	-	820.835	-
Short-term liabilities				
Interest rate swaps	124.400	-	-	-
Forward foreign exchange contracts for hedging of cash flows	2.555.509	-	-	-
Total	2.679.909	-	-	-
Amounts registered in the results as income or (expense)	-8.231.894	-	-	-
Details of interest rate swaps				
Nominal value	194.069.803	-	113.000.000	-

The above financial derivatives cover foreign exchange risk (US Dollar) as well as interest rate risk.

The duration of the above derivatives, as well as their nominal value, is in proportion to that of the underlying assets/liabilities.

On 31/12/2005, the fixed interest rates of long-term loans covered by interest rate swaps ranged from 2.3% to 5.3%. The basic floating rates are based on EURIBOR.

Profit and losses recognized in Total Equity (fair value reserve) from forward foreign exchange contracts, on 31/12/2005 will be transferred to the Income Statements at several dates ranging from one and four months from the balance sheet date.

16 Cash & Cash Equivalents

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Cash in hand and in banks	148.154	205.997	70.783	126.171
Short-term bank deposits	18.241.688	16.674.229	7.793.723	753.032
Total	18.389.841	16.880.226	7.864.506	879.202

17Share Capital
CONSOLIDATED DATA

<i>Amounts in €</i>	Number of Shares	Common Shares	Above Par	Own Shares	Total
January 1st 2004	95.506.626	39.157.717	118.091.070	-82.624	157.166.163
December 31st 2004	95.506.626	39.157.717	118.091.070	-82.624	157.166.163
Own shares (purchased) / sold	-	-	-	82.624	82.624
December 31st 2005	95.506.626	39.157.717	118.091.070	-	157.248.787

COMPANY DATA

<i>Amounts in €</i>	Number of Shares	Common Shares	Above Par	Own Shares	Total
December 31st 2004	95.506.626	39.157.717	118.091.070	-	157.248.787
December 31st 2005	95.506.626	39.157.717	118.091.070	-	157.248.787

18 Other Reserves
**CONSOLIDATED
DATA**

<i>Amounts in €</i>	Ordinary reserve	Fair value reserve	Special reserves	Tax-exempt reserves	Other reserves	Foreign exchange differences from consolidation of foreign subsidiaries	Total
Balance as at January 1st 2004	8.222.571	-	-	43.885.605	1.915.780	-221.165	53.802.791
Foreign Exchange differences	-	-	-	-	-	-23.573	-23.573
Distribution	785.731	-	-	3.737.925	-	-	4.523.655
Reclassifications	-879	-	-	-	-	-	-879
Other	242.542	-	-	1.556.662	452.862	-	2.252.066
Balance as at December 31st 2004	9.249.964	-	-	49.180.192	2.368.642	-244.738	60.554.060
Implementation of IAS 32 & 39	-	-2.260.998	-	-	-	-	-2.260.998
Balance as at January 1st 2005	9.249.964	-2.260.998	-	49.180.192	2.368.642	-244.738	58.293.062
Foreign Exchange differences	-	-	-	-	-	208.879	208.879
Distribution	2.566.497	-	-	21.797.860	-	-	24.364.357
Other	168.589	-79.912	-	1.079.031	314.157	-	1.481.864
Balance as at December 31st 2005	11.985.050	-2.340.910	-	72.057.083	2.682.799	-35.859	84.348.163

COMPANY DATA

<i>Amounts in €</i>	Ordinary reserves	Fair value reserves	Special reserves	Tax-exempt reserves	Other reserves	Total
Balance as at January 1st 2004	6.754.998	-	-	35.310.236	145.561	42.210.796
Distribution	709.338	-	-	3.300.000	-	4.009.338
Balance as at December 31st 2004	7.464.336	-	-	38.610.236	145.561	46.220.134
Implementation of IAS 32 & 39	-	-742.668	-	-	-	-742.668
Balance as at January 1st 2005	7.464.336	-742.668	-	38.610.236	145.561	45.477.466
Distribution	797.527	-	-	7.225.948	-	8.023.475
Other	-	127.042	-	-	-	127.042
Balance as at December 31st 2005	8.261.863	-615.627	-	45.836.185	145.561	53.627.983

According to the Greek Legislation, the tax-exempt reserves are exempt from income tax under the condition that they will not be distributed to shareholders. The Group does not intend to distribute the specific reserves and consequently has not calculated the income tax, which would arise in the case of their distribution.

The Group's tax-exempt reserves include reserves that have been formed by the company based on article 2 of L. 3220/2004 (€5.475 thous.). The European Council issued the Declaration 2006/C20/05, according to which, tax-exempt reserves constitute a form of government support and thus has

asked the Greek Government to formally place its stance on this Declaration. At the present time, the outcome of discussions between the European Council and the Greek Government is uncertain and consequently the Company has not a provision for contingent liability

19 Bank Loans

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Long-term loans				
Bank loans	115.839.540	150.084.982	25.318.183	37.227.273
Financial leasing liabilities	1.844.730	3.642.160	-	-
Corporate Bond Loans	243.750.000	263.000.000	138.750.000	185.000.000
Total long-term loans	361.434.270	416.727.142	164.068.183	222.227.273
Short-term loans				
Open Bank Accounts	12.665.217	60.586.546	6.327.985	10.244.966
Bank loans	195.789.740	39.488.949	75.609.493	12.160.008
Financial leasing liabilities	1.789.668	1.662.523	-	-
Total short-term liabilities	210.244.626	101.738.017	81.937.478	22.404.974
Total loans	571.678.895	518.465.159	246.005.660	244.632.248

The maturity dates of long-term loans are as follows:

<i>Amounts in €</i>				
Between 1 and 2 years	107.911.724	83.487.127	58.159.091	58.159.175
Between 2 and 5 years	228.345.088	295.641.345	105.909.092	164.068.098
Over 5 years	25.177.457	37.598.670	-	-
	361.434.270	416.727.142	164.068.182	222.227.273

The real average weighted interest rates as at the balance sheet date, are the following:

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Bank loans (long-term)	5,31%	5,31%	6,52%	6,52%
Bank loans (short-term)	3,88%	3,88%	3,57%	3,57%
Corporate bond loans	3,40%	3,40%	3,40%	3,40%
Financial leasing liabilities	3,35%	3,35%	-	-

CONSOLIDATED DATA
Amounts in €

	31/12/2005	31/12/2004
Financial leasing liabilities - minimum leases		
Up to 1 year	2.014.518	2.008.861
From 1 to 5 years	3.854.665	3.946.953
Total	5.869.183	5.955.815
Minus: Future financial debits of financial leases	-2.234.785	-651.132
Current value of financial leasing liabilities	3.634.398	5.304.683

The current value of financial leasing liabilities is analyzed as follows:

Up to 1 year	1.789.668	1.662.523
From 1 to 5 years	1.844.730	3.642.160
Current value of financial leasing liabilities	3.634.398	5.304.683

The financial leasing concerns machinery and vehicles of the subsidiary companies CORINTH PIPEWORKS S.A. and AEIFOROS S.A.

20 Retirement benefit obligations

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Balance sheet liabilities for:				
Retirement benefits	5.680.325	6.708.850	1.772.579	2.477.030

<i>Amounts in €</i>				
Charges to the results				
Retirement benefits	2.761.834	1.640.358	189.622	448.194
Present value of non-financed liabilities	6.689.461	6.331.159	2.358.146	2.231.459
Non-registered actuarial (profit) / losses	-1.003.445	408.153	-585.567	245.571
Non-registered service cost	-5.691	-30.462	-	-
	5.680.325	6.708.850	1.772.579	2.477.030
Balance Sheet Liability	5.680.325	6.708.850	1.772.579	2.477.030

Changes in net liability recognized in the Balance Sheet				
Net liability at beginning of period	6.708.850	6.621.673	2.477.030	2.625.547
Employer contributions	-2.262.855	-732.360	-	-
Benefits paid	-1.527.504	-1.408.818	-894.073	-842.282
Total expense recognized in the income statement	2.761.834	1.640.358	189.622	448.194
Net liability at end of period	5.680.325	6.120.853	1.772.579	2.231.459
Additional expenses or (income)	227.536	9.161	-	-
Actuarial loss or (profit)	739.962	578.836	585.567	245.571
Present value of liability at end of period	6.647.823	6.708.850	2.358.146	2.477.030

Analysis of expenses recognized in the income statement				
Cost of current employment	687.682	462.931	142.305	144.742
Interest of liability	258.022	334.314	98.984	126.493
Cost of additional benefits	559.777	268.884	330.655	174.248
Arrangement cost from employee transfers	-80.624	19.705	-	3.511
Profit of cut-backs from employee transfers	1.302.890	475.517	-382.322	-800
Expenses	10.929	79.006	-	-
Service cost during the period	23.159	-	-	-
Total expense recognized in the income statement	2.761.834	1.640.358	189.622	448.194

The main actuarial assumptions used for accounting purposes are the following:

Discount rate	4,0%	4,6%	4,0%	4,5%
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Future wage increases 3,5% 3,6% 3,5% 3,5%

21 Government Grants

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance at beginning of period	16.098.980	12.153.791	729.953	953.966
Collection of Grants	1.486.203	5.250.100	-	-
Transfer of grant to receivables	-	1.010.220	-	-
Depreciations of grants	-1.433.118	-2.315.131	-168.871	-224.012
Balance at end of period	16.152.065	16.098.980	561.082	729.953

The subsidies refer to investments that have taken place for the purchase and placement of tangible fixed assets (building facilities, machinery, vehicles).

22 Suppliers & Other Liabilities

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Suppliers	54.086.238	52.207.449	8.607.910	7.532.337
Notes payable	33.577.618	34.652.719	-	-
Customer prepayments	4.565.396	5.329.626	2.991.608	2.696.969
Social Security Funds	3.175.937	3.290.917	641.438	540.058
Amounts owed to affiliate parties	8.557.824	5.705.890	6.945.129	4.395.036
Liabilities towards other companies of participating interest	1.717.884	678.500	-	-
Dividends payable	1.670.288	55.512	10.371	14.667
Sundry creditors	5.318.092	5.182.779	2.200.823	2.414.864
Deferred income	36.205	36.538	250	300
Accrued expenses	10.250.600	8.002.324	3.731.837	3.572.083
Other accruals and deferred income	457.362	3.673.207	390.627	225.594
Other taxes and dues	3.107.091	3.446.914	477.781	1.260.334
Total	126.520.535	122.262.376	25.997.773	22.652.244
Short-term liabilities	126.520.535	122.262.376	25.997.773	22.652.244
Total liabilities	126.520.535	122.262.376	25.997.773	22.652.244

23 Provisions

Long term Liabilities

CONSOLIDATED DATA

<i>Amounts in €</i>	Pending judicial cases	Indemnification to customers	Other provisions	Total
January 1st 2004	1.530.000	2.221.275	613.750	4.365.025
Foreign Exchange differences	-	-	2.307	2.307
Additional provisions for the current period	2.223.124	6.285.441	107	8.508.672
Used provisions of the current period	-	-	-56.093	-56.093
December 31st 2004	3.753.124	8.506.716	560.071	12.819.911
Additional provisions for the current period	-	686.395	464	686.859
Restructuring	-	-	-2.353	-2.353
Used provisions of the current period	-3.714.000	-5.800.000	-	-9.514.000
December 31st 2005	39.124	3.393.111	558.182	3.990.417

COMPANY DATA

<i>Amounts in €</i>	Pending judicial cases	Indemnification to customers	Other provisions	Total
January 1st 2004			-	-
Additional provisions for the current period			2.353	2.353
December 31st 2004	-	-	2.353	2.353
Restructuring			-2.353	-2.353
December 31st 2005	-	-	-	-

Short term Liabilities

CONSOLIDATED DATA

<i>Amounts in €</i>	Pending judicial cases	Indemnification to customers	Other provisions	Total
December 31st 2004	-	-	-	-
Foreign Exchange differences	-	-	-28	-28
Additional provisions for the current period	974.731	-	713.079	1.687.810
Restructuring	-92.000	-	-165.114	-257.114
Used provisions of the current period	-	-	-240.746	-240.746
December 31st 2005	882.731	-	307.191	1.189.922

COMPANY DATA

<i>Amounts in €</i>	Pending judicial cases	Indemnification to customers	Other provisions	Total
December 31st 2004	-	-	-	-
Restructuring	-	-	2.353	2.353
Used provisions of the current period	-	-	-2.353	-2.353

December 31st 2005	-	-	-	-
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In other provisions there is an amount of €96 thous., which refers to possible obligations from the subsidiary CPW European (note 31).

24Expenses per category

CONSOLIDATED DATA

<i>Amounts in €</i>	Cost of Goods Sold	Distribution Expenses	Administrative Expenses	Other Expenses	Total
Employee Benefits	-51.364.833	-8.622.888	-14.411.122	-	-74.398.843
Cost of inventories recognized as an expense	-419.648.017	-293.406	-249.443	-	-420.190.867
Depreciations	-44.401.669	-662.839	-2.848.028	-	-47.912.535
Other Expenses	-206.435.995	-74.933.565	-20.501.063	-3.496.702	-305.367.325
Total	-721.850.513	-84.512.698	-38.009.657	-3.496.702	-847.869.570

31/12/2005

<i>Amounts in thousand €</i>	Cost of Goods Sold	Distribution Expenses	Administrative Expenses	Other Expenses	Total
Employee Benefits	-55.334.964	-9.347.893	-13.440.789	-336.868	-78.460.513
Cost of inventories recognized as an expense	-652.743.242	-803.938	-264.792	-	-653.811.972
Depreciations	-44.307.730	-813.178	-2.114.470	-608.181	-47.843.559
Other Expenses	-31.888.606	-72.734.801	-15.408.452	-7.724.485	-127.756.344
Total	-784.274.542	-83.699.810	-31.228.503	-8.669.534	-907.872.389

COMPANY DATA

31/12/2004

<i>Amounts in thousand €</i>	Cost of Goods Sold	Distribution Expenses	Administrative Expenses	Other Expenses	Total
Employee Benefits	-6.741.533	-2.180.569	-6.220.013	-	-15.142.115
Cost of inventories recognized as an expense	-331.178.773	-	-	-	-331.178.773
Depreciations	.7.633.196	-348.618	-2.116.413	-	-10.098.228
Other Expenses	-76.379.394	-21.736.233	-4.575.704	-1.475	-102.692.808
Total	-421.932.897	-24.265.421	-12.912.130	-1.475	-459.111.924

31/12/2005

<i>Amounts in thousand €</i>	Cost of Goods Sold	Distribution Expenses	Administrative Expenses	Other Expenses	Total
Employee Benefits	-7.531.981	-2.434.867	-5.451.179	-	-15.418.027
Cost of inventories recognized as an expense		-	-	-	-219.351.906

	-219.351.906				
Depreciations	-8.313.272	-95.157	-1.000.142	-362.102	-9.770.674
Other Expenses	-44.390.219	-18.232.175	-6.146.005	-6.853.292	-75.621.691
Total	-279.587.378	-20.762.200	-12.597.325	-7.215.395	-320.162.298

25 Employee Benefit Expense

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Employee remuneration & expenses	57.847.696	57.629.926	11.132.195	10.535.953
Social security expenses	15.311.263	12.559.758	2.496.210	2.282.968
Cost of defined benefit pension plan	2.761.834	1.640.358	189.622	448.194
Other employee benefits	2.539.721	2.568.802	1.600.000	1.875.000
Total	78.460.514	74.398.843	15.418.027	15.142.115

Other employee benefits				
Earnings to staff	2.389.721	2.250.000	1.500.000	1.750.000
Earnings to BoD	150.000	318.802	100.000	125.000
Total	2.539.721	2.568.802	1.600.000	1.875.000

26 Financial cost

	CONSOLIDATED DATA		COMPANY DATA	
<i>Amounts in €</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Income				
Interest income	564.474	1.443.577	6.394	4.088
Foreign Exchange differences	-2.552	-	2.387	-
Interest rate swaps, hedging of fair value	312.507	292.975	312.507	280.632
Other	156.063	-	-	-
Total Income	1.030.492	1.736.552	321.288	284.720
Expenses				
Interest expenses & related expenses	-23.913.224	-24.590.682	-9.393.134	-8.847.501
Promissory notes	-1.533.603	-	-	-
Financial Leases	-311.027	-	-	-
Foreign Exchange differences	-102.994	-	-	-
Interest rate swaps, hedging of fair value	-195.372	-	-	-
Total Expenses	-26.056.221	-24.590.682	-9.393.134	-8.847.501
Financial cost (net)	-25.025.728	-22.854.130	-9.071.847	-8.562.781

27 Income Tax Expense

	CONSOLIDATED DATA		COMPANY DATA	
<i>Amounts in €</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Tax for the current period	-5.434.292	-13.468.125	-5.106.853	-5.618.680
Deferred tax	-7.950.757	23.544.445	-309.977	9.796.989
Total	-13.385.049	10.076.321	-5.416.830	4.178.309

	CONSOLIDATED DATA		COMPANY DATA	
Income Tax	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in €</i>				
Accounting earnings before taxes	30.922.302	61.503.664	15.956.162	20.790.394
Permanent differences	18.198.450	-8.709.074	2.092.941	466.322
Accounting losses of previous periods not recognized	54.144	-	-	-
Minus income for formation of reserves	-502.426	-28.348.445		-5.475.000
Minus exempt income	-892.597	-1.677.268	-879.373	-801.654
Tax loss for which a deferred tax receivable was not recognized	-	-1.004.752	-	-
Tax losses	-85.369	-	-	-
Temporary differences	-36.851.719	1.135.099	-1.224.941	1.056.629
Total	10.842.786	22.899.224	15.944.789	16.036.691
Corresponding Tax	9.631.907	13.459.306	5.102.332	5.612.842
Withheld income tax from foreign dividends of previous periods.	-4.594.453	-	-	-
Plus tax for write-off of tax-exempt reserve	142.437	-	-	-
Additional tax (tax of property leases)	254.401	8.819	4.521	5.838
Total income tax	5.434.292	13.468.125	5.106.853	5.618.680

Deferred tax for the period

Difference of the period	-7.948.663	-61.107	-306.235	264.157
Differences of the period out of income tax calculation	-2.095	-	-3.742	-
Change of tax rate	-	23.605.552	-	9.532.832
Tax rate	-7.950.757	23.544.445	-309.977	9.796.989

Payable income tax in next period

Income tax	-5.434.292	-13.468.125	-5.106.853	-5.618.680
Plus Prepayment of income tax	-3.858.204	-4.158.881	-3.318.376	-3.089.611
Minus prepayment of previous period's tax	6.536.188	3.950.431	3.089.611	3.676.025
Minus prepaid taxes	1.045.734	485.055	4.640.841	663
Plus collected taxes for payment	-5.425	-6.622	-5.425	-6.752
Payable income tax	-1.715.999	-13.198.142	-700.202	-5.038.355

Income tax paid during the current period

	-13.561.149	-4.678.640	-5.038.608	-3.580.434
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The effective tax rate for income tax is 32% (35% in the previous fiscal year) for companies operating in Greece, while for companies operating in Bulgaria it is 15% (19.5% in the previous fiscal year). For companies operating in Cyprus, the effective tax rate is 10%.

28 Other Operating income (expenses)

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Other income				
Subsidies in the Current Period	157.202	741.140	40.016	65.752
Income from Subsequent Activities	1.161.823	2.579.078	10.647.239	1.747.279
Interest income (from operating activity)	11.766	9.547	8.530	9.547
Depreciations of received grants	1.433.118	2.315.131	168.871	224.012
Foreign exchange differences	5.222.817	4.318.715	-	-
Other income	4.745.858	2.922.786	-	-
Total other income	12.732.583	12.886.396	10.864.657	2.046.590
Other Expenses				
Production Operation Expenses not Costed	-3.083.575	-270.132	-	-
Impairment of participations & other financial items	-	-145.242	-	-
Foreign exchange differences	-	-1.547.039	-	-
Other Expenses	-5.585.959	-1.534.290	-7.215.395	-1.475
Total	-8.669.534	-3.496.702	-7.215.395	-1.475
Profit / (Losses) from sale of fixed assets	85.856	453.153	-310.796	4.938
Profit / (Losses) from sale of other financial items	-5.219	-	-	-
Derivative (transfer from Total Equity)	-8.724.701	-	-	-
Other operating income - expenses (net)	-4.581.015	9.842.847	3.338.466	2.050.053
Income from dividends	1.354.517	454.674	16.785.704	801.654
Profits/Losses from affiliated companies				
Profits from affiliated companies	1.403.089	3.053.957	-	-
Losses from affiliated companies	.71.326	-281.224	-	-
Total	1.331.763	2.772.733	-	-

29. Operating Cash Flows
Cash flows from operating activities
Amounts in thousands of Euros

		CONSOLIDATED		COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
Profits of the period		17.537.253	71.579.984	10.539.332	24.968.703
Adjustments for:					
Taxes	27	13.385.049	-10.076.321	5.416.830	-4.178.309
Depreciation of tangible fixed assets	7	47.687.045	47.765.368	9.757.696	10.098.228
Amortisation of intangible assets	7	156.515	147.168	12.979	-
Devaluations		-	145.259	-	-
Profits/(losses) from the sale of tangible fixed assets (see below)		-85.856	-453.153	310.796	-4.938
Profits/(losses) of the reasonable value of other financial assets at reasonable value through results	11	5.219	-	-	-
Interest (from investments)	26	-564.474	-1.443.577	-6.394	-4.088
Interest charges	26	26.056.221	24.590.682	9.393.134	8.847.501
Income from dividends	28	-1.354.517	-454.674	-16.785.704	-801.654
Amortisation of subsidies	21	-1.433.118	-2.315.131	-168.871	-224.012
Share in the results of affiliated companies	28	-1.331.763	-2.772.733	-	-
Loss from damage in fixed assets		90.073	735.438	-	-
Other (credit transactions)		-145.796	1.533.222	-312.507	-280.632
		100.001.849	128.981.532	18.157.290	38.420.798

Changes in Working capital

(Increase)/decrease in stocks	-18.884.241	-41.723.037	22.775.800	-19.679.943
(Increase)/decrease in receivables	-38.441.770	-66.977.941	11.109.548	-23.001.902
Increase/(decrease) in liabilities (not including Banks)	-1.365.902	49.290.909	-956.303	-3.443.190
Increase/(decrease) in allowances	-6.167.358	10.262.332	997.647	-14.700
Increase/(decrease) in personnel compensation due to retirement	-1.028.525	83.115	-704.451	-148.517
	-65.887.796	-49.064.623	33.222.242	-46.288.252

Net cash flows from operating activities

	34.114.054	79.916.910	51.379.532	-7.867.454
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Profits from the sale of fixed assets include:

Amounts in thousands of Euros

	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Net book value	1.530.585	1.187.072	879.310	12.167
Profits/(losses) from the sale of tangible fixed assets	85.856	453.153	-310.796	4.938
Income from the sale of tangible fixed assets	1.616.442	1.640.224	568.514	17.106

Profits/Losses for sale of participations

Net book value	3.292	32.000		32.000
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Profits/Losses for sale of participations

Income from sale of participations	3.292	32.000		32.000
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Profits/Losses form sale of other financial assets

-5.219

30 Commitments

Contractual commitments

Amounts in €

Tangible fixed assts
Other

CONSOLIDATED DATA		COMPANY DATA	
31/12/2005	31/12/2004	31/12/2005	31/12/2004
13.328.343	541.796	-	-
1.360.764	1.558.756	-	-
14.689.107	2.100.551	-	-

The future car lease payments according to operating leasing contracts are as follows:

Liabilities from Operating Leasing

Amounts in €

Up to 1 year
From 1 to 5 years
Over 5 years

CONSOLIDATED DATA		COMPANY DATA	
31/12/2005	31/12/2004	31/12/2005	31/12/2004
937.035	892.929	323.354	276.660
2.036.521	1.971.721	671.197	510.881
365.814	563.805	-	-
3.339.369	3.428.455	994.551	787.541

Charge to the Results

860.896	785.612	360.188	319.584
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Capital Liabilities

There are no significant capital liabilities that have been taken but not executed as at the Balance Sheet date.

31 Contingent Liabilities - Receivables

The group has contingent liabilities and receivables related to banks, other guarantees and other issues that emerge in the context of its basic activity, as follows:

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Liabilities				
Guarantees for securing liabilities towards suppliers	52.794.027	15.924.500	21.734.513	13.110.762
Guarantees for securing good execution of contracts with customers	48.283.426	20.654.173	1.006.671	1.006.671
Provided mortgages and collateral - lots & buildings	73.490.541	73.203.762	-	-
Other liabilities	27.636.584	33.179.173	-	-
Total	202.204.577	142.961.607	22.741.183	14.117.432

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Lawsuits of employees due to labor accident in Corinth	1.000.000	28.287.283	-	-
Other lawsuits	6.041.404	143.124	-	-
Contractual liabilities	4.010.095	4.748.766	-	-
Bank Letters of Guarantee	13.856.670	-	-	-
Tax liabilities	2.728.415	-	-	-
Total	27.636.584	33.179.173	-	-

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Receivables				
Guarantees for securing receivables from customers	949.346	949.346	1.354.846	949.346
Other receivables	303.667	283.226	-	-
Total	1.253.013	1.232.572	1.354.846	949.346

The subsidiary company CORINTH PIPEWORKS S.A. created a provision of a total amount of €3,753,124 for the negative outcome of lawsuits until the fiscal year 2004 included. During the current fiscal year, the amount of €3,714,000 was paid to plaintiffs and an additional provision of €882,731 was formed.

Furthermore, up until the fiscal year 2004 included, the company made a provisions for losses that may emerge as a result of its contractual liabilities towards customers, amounting to a total of €8,506,716. During the present fiscal year and in relation to the above, the company paid an amount of €5,800,000 and created an additional provision of €86,395.

The total amount of provisions made, is considered adequate and no additional charges are expected to arise.

During the current fiscal year, final tax audit reports were issued against the subsidiary company ETIL SA, which concern the tax audit of fiscal years 1999 & 2000. According to these tax audit reports, additional taxes have been imposed amounting to €2,728 thousand, which is analyzed as €938 thousand as basic income tax and €1,790 thousand as additions. The subsidiary company did not accept this liability and legally objected such by filing an appeal to the Administrative Courts on 15/2/2006. At the same time it submitted a request towards the committee, of article 70 L. 2238/94, aiming at exempting the service rendering sector from the off-balance sheet definition. The company's management's view is that the issue will be solved with a significant reduction in the company's final liability. The definition of the tax that will finally be paid cannot be defined at the time, and as such the company has not made a relevant provision with a respective burden on the current period's results.

32 Existing collateral assets

There are mortgages and collateral written on the real estate property of subsidiaries CORINTH PIPEWORKS S.A. and STOMANA AD, amounting to €3,204 thousand and €287 thousand respectively, in favor of banks.

33 Related Parties
Amounts in €
Sale of goods

Subsidiary companies

Other related parties

Sale of services

Subsidiary companies

Other related parties

Sale of fixed assets

Subsidiary companies

Other related parties

Purchase of goods

Subsidiary companies

Other related parties

Purchase of services

Subsidiary companies

Other related parties

Purchase of fixed assets

Subsidiary companies

Other related parties

Benefites to Key Management Personnel
Amounts in €

Fees - benefits to members of the Board of Directors and executives

Balances at year end that arise from the sale-purchase of goods, services, fixed assets, etc.
Amounts in €

Receivables from related parties:

Subsidiary companies

Other related parties

Liabilities to related parties

Subsidiary companies

Other related parties

	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Sale of goods				
Subsidiary companies	-	-	76.117.487	46.900.305
Other related parties	28.641.091	26.434.832	5.525.121	11.059.027
	28.641.091	26.434.832	81.642.608	57.959.332
Sale of services				
Subsidiary companies	-	-	11.701.956	-
Other related parties	1.126.969	493.233	47.050	-
	1.126.969	493.233	11.749.006	-
Sale of fixed assets				
Subsidiary companies	-	-	555.000	-
Other related parties	4.063	-	-	-
	4.063	-	555.000	-
Purchase of goods				
Subsidiary companies	-	-	88.234.785	292.423.744
Other related parties	49.297.361	57.265.106	8.331.196	12.683.393
	49.297.361	57.265.106	96.565.981	305.107.137
Purchase of services				
Subsidiary companies	-	-	1.158.438	-
Other related parties	16.612.271	5.341.592	4.662.929	-
	16.612.271	5.341.592	5.821.367	-
Purchase of fixed assets				
Subsidiary companies	-	-	349.564	-
Other related parties	2.238.968	818.104	10.980	-
	2.238.968	818.104	360.544	-
Benefites to Key Management Personnel				
Fees - benefits to members of the Board of Directors and executives	4.356.082	3.901.415	2.003.593	1.875.000
	4.356.082	3.901.415	2.003.593	1.875.000
Balances at year end that arise from the sale-purchase of goods, services, fixed assets, etc.				
Receivables from related parties:				
Subsidiary companies	-	-	21.717.859	23.508.038
Other related parties	26.415.650	7.085.256	14.773.519	98.906
	26.415.650	7.085.256	36.491.378	23.606.944
Liabilities to related parties				
Subsidiary companies	-	-	5.374.802	3.646.828
Other related parties	8.557.824	5.705.890	1.570.327	748.208
	8.557.824	5.705.890	6.945.129	4.395.036

The services to and from related parties, along with the sales and purchases of goods, are conducted according to pricelists that are valid to the non related parties.

34 Earnings per share

Basic and reduced

<i>Amounts in thousands of Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Profits that correspond to the shareholders of the parent company	16.288.584	59.351.297	10.539.332	24.968.703
Weighted average number of shares	95.506.626	95.506.626	95.506.626	95.506.626
Basic and reduced profits per share (Euros per share)	0,171	0,621	0,110	0,261

<i>Operating results</i>	CONSOLIDATED		COMPANY	
	1/1 to 30/12/2004	1/7 to 30/12/2004	1/1 to 30/12/2004	1/7 to 30/12/2004
Profits that correspond to the shareholders of the parent company	16.288.584	59.351.297	10.539.332	24.968.703
Weighted average number of shares	95,506,626	95,506,626	95,506,626	95,506,626
Total weighted average number of shares for reduced profits per share	95,506,626	95,506,626	95,506,626	95,506,626
Basic and reduced profits per share (Euros per share)	0,171	0,621	0,110	0,261

The basic and reduced profits per share are calculated by dividing the profit that corresponds to the shareholders of the parent company by the weighted average number of common shares during the period. Own shares that were purchased by the company are not included in the aforementioned number of common shares.

35 Non-audited Fiscal Years

The Company has been audited by the competent tax authorities until, and including, 2004. The tax audit for the financial years 2002-2004 of SIDENOR S.A. was finalised in April 2006.

Some of the Group's subsidiary companies have not been audited by tax authorities for various fiscal years from 1999 until and including 2005.

COMPANY	UNAUDITED FISCAL YEARS
SIDENOR S.A.	2005
SOVEL S.A.	2001-2005
STOMANA INDUSTRY S.A.	2003-2005
ERLIKON WIRE PROCESSING S.A.	2001-2005
TEPRO STEEL EAD	2003-2005
AEIFOROS S.A.	2001-2005
ELMONTE HOLDINGS LIMITED	2001-2005
BOZETI LTD	2003-2005
AEIFOROS BULGARIA S.A.	2005
DIAPETHIV S.A.	2002-2005
CORINTH PIPEWORKS S.A.	2003-2005
VEMET S.A.	2003-2005
PRAKSYS S.A.	2005
BET S.A.	2003-2005
BEAT S.A.	2003-2005
ETAL S.A.	1999-2005
PROSAL S.A.	2004-2005
ETIL S.A.	2001-2005
ARGOS S.A.	2003-2005
SIGMA S.A.	2002-2005
DEPAL S.A.	2002-2005
SIDMA S.A.	2005
DIAPEM S.A.	2003-2005
BEPEM S.A.	2000-2005
METALLOURGIA ATTIKIS S.A.	2002-2005
ELKEME S.A.	2003-2005

36 Number of Personnel

Number of personnel employed at the end of the current period: Group 3,331 and Company 354.

37 Events after the Balance Sheet date

On February 27th 2006, The Company's Board of Directors decided to propose on the General Annual Meeting which will take place on 13/06/06 the following dividend/share:

Proposed dividend for year 2005	0.16€
No. of shares	95.506.626
Total proposed dividends	15.281.060

(Translation from the Greek language original)

Report of the auditors

To the Shareholders of SIDENOR Steel Products Manufacturing Company S.A.

We have audited the accompanying balance sheet of SIDENOR Company (the “Company”) and the consolidated balance sheet of the Company and its subsidiaries (the “Group”) as of 31 December 2005 and the related statements of income, cash flows and changes in shareholders’ equity of the Company and the Group for the year then ended. These financial statements set out on pages 1 to 57 are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Greek Auditing Standards, which are based on International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We also assessed the consistency of the information included in the Directors’ Report, with the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2005, and the results of their operations and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the information included in the Directors’ Report is consistent with the financial statements.

Athens, 27 February 2006

PRICEWATERHOUSECOOPERS 

The Certified Auditor

PricewaterhouseCoopers
Certified Auditors and Accountants

Kyriacos Riris
SOEL Reg. No. 12111

4. Board of Directors report of SIDENOR S.A. on the consolidated financial statements of 2005

TO THE GENERAL
SHAREHOLDERS MEETING ON
13/6/2006

Dear shareholders,

We are honoured to introduce to you the consolidated financial statements, in accordance with the International Financial Report Standards, as adopted on 1/1/2005, as well as the present statement for the financial year from 1st January to 31st December 2005.

1. COMMENTS ON THE CONSOLIDATION METHOD

The consolidated financial statements resulted from the total consolidation of the related financial statements of the financial year of the parent company "SIDENOR S.A." and its subsidiaries:

SOVEL A.E, BET S.A., ERLIKON WIRE PROCESSING S.A., DEPAL S.A., AEIFOROS S.A, ETAL S.A., VEMET S.A., PROSAL S.A., PRAKSYS S.A., CORINTH PIPEWORKS S.A., BEAT AE based in Athens, ETIL S.A. , ARGOS S.A., based in Thessalonica, STOMANA INDUSTRY SA based in Pernik of Bulgaria, ELMONTE HOLDING LTD και BOZETTI LTD, based in Leukosia of Cyprus, TEPRO STEEL EAD και SIGMA S.A. based in Sofia of Bugaria and AEIFOROS BULGARIA based in Pernik.

STEEL CAGES LATERAL REINFORCEMENT SYS LTD, based in Lemessos in Cyprus, owing to lack of activity, as well as FITCO S.A., totally depreciated and idle, were not consolidated according to the total consolidation method.

In addition, during the compilation of consolidated financial statements the following affiliated companies were consolidated according to the net equity method:

DIAPE S.A., SIDMA S.A., VEPEM S.A., METALLOURGIA ATTIKIS S.A. & EL.KE.ME. S.A.

The participation in the rest of the companies, ANAMET S.A., HELLENIC STEELTRADERS S.A., MOTOR OIL S.A. based in Athens, EVETAM S.A., THESSALY TECHNOLOGICAL PARK S.A., ANAPTYXIAKI MAGNISIASCOMPANY S.A. based in Volos, TEPRO METAL AG based in Germany & DOMOPLEX LTD based in Cyprus was evaluated according to the acquisition cost method, as well as the largest part of financial items are non-listed securities, which are not possible to be evaluated at fair value.

The relation dictating the unification is the relation parent-subsiidiary. The turnover of the consolidated financial statement of the fiscal year reaches Euro 957,046 thousand.

The sales of the group showed a rise of 4.5% opposed to sales of 2004, due to the fact that there was a rise in subsidiaries' sales.

2. TURNOVER

The consolidated turnover reached Euro 957,046 thousand. In the following table the sales' volume are analysed as well as the deletion of inter-company transactions that constituted the consolidated turnover.

Euro '000

COMPANY	SALES	DELETION OF INTER-COMPANY TRANSACTIONS	TOTAL
SIDENOR S.A.	317,850	-78,183	239,667
SOVEL S.A – BET S.A – BEAT S.A	247,485	-60,835	186,650
STOMANA INDUSTRY SA	256,978	-23,851	233,127
DEPAL S.A – ETIL S.A -SIGMA-ARGOS	18,629	-17,720	909
TEPROSTEEL EAD	910	-900	10
ERLIKON WIRE PROCESSING S.A.	25,392	-1,100	24,292
AEIFOROS S.A	5,118	-1,589	3,529
ETAL S.A	1,731	-1	1,730
PROSAL S.A	4,996	-20	4,976
PRAKSYS AE	1,840	-266	1,574
CORINTH PIPEWORKS S.A.	260,917	-1,256	259,661
ELMONTE HOLDINGS LTD	0	0	0
BOZETTI LTD	921	0	921
VEMET S.A	0	0	0
BEAT S.A	0	0	0
TOTAL	1,142,767	-185,721	957,046

3. RESULTS

The consolidated net profit of the financial year 2005 before tax reached Euro 30,922 thousand, out of which Euro 15,956 thousand come from net profit before tax of the parent company SIDENOR S.A., which:

- i. Have been influenced by the subsidiaries statements before tax:

Euro '000

COMPANY	PROFITS	LOSSES
SIDENOR S.A.	15,956	
SOVEL S.A. – BET S.A.	703	
BEAT S.A.		-2
STOMANA INDUSTRY SA	27,089	
DEPAL S.A. – ETIL S.A.-ARGOS -SIGMA	1,524	
TEPROSTEEL EAD	54	
ERLIKON WIRE PROCESSING S.A.	1,260	
AEIFOROS S.A.	1,211	
ETAL S.A.	0	-318
PROSAL S.A.	33	
BOZETTI LTD	521	
CORINTH PIPEWORKS S.A.	0	-2,164
ELMONTE HOLDINGS LTD	0	-11
VEMET S.A.	0	-3
PRAKSYS S.A.	137	

TOTAL	48,488	-2,498
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- ii. Further registries before tax -€16,400 thousand, deriving from the reserves' cost, profit over the inter-company sales, and incomes from dividends.
- iii. Restatement amount of participation incomes, deriving from the consolidation of the companies according to the net equity method reaching Euro +1,332 thousand.

4. FINANCIAL STATUS

The financial ratios that depict the financial position of the group are the following:

LIQUIDITY:	1.61
LEVERAGE:	1.62
ASSET COVERAGE:	0.66

Up to date there are not any present or expected significant losses that affect the Company's results for the current or future fiscal years.

Finally, we would like to draw your attention to the financial statements of the present report that were compiled in accordance with the IFRS and are an integral part of them.

Dear shareholders, we have the honour of requesting the approval of the consolidated financial statements of the fiscal year 2005. In addition, you are kindly expected to decide on any related issues of the Daily agenda of the current General Meeting.

THE BOARD OF DIRECTORS

Exact extract of the minutes book of the Board of Directors.

**Board of Directors Report of SIDENOR S.A.
For the financial year 2005**

TO THE GENERAL
SHAREHOLDERS MEETING
ON 13/06/2006

Dear shareholders,

We submit the financial statements that were compiled in accordance with the provisions of International Financial Reporting Standards, as adopted in 1/1/2005, as well as the present statement for the financial year from 1st January to 31st December 2005.

In 2005 there was no change in the shareholders equity of the company. The total number of shares reached 95,506,626, of nominal value Euro 0.41 and share equity in Euro reached 39,157,716

Last year a reduction in turnover occurred (34.6%), as well as in cost of goods sold from 421,932,897 in 2004 to 279,587,378 in 2005. In addition cost of goods sold, reached 87.96% opposed to 86.89% in 2004. Gross profits before tax showed a reduction (23.25%) in comparison with 2004 and reached Euro 15,956 thousand.

REPORT ON OPERATIONS
1. Turnover – gross results (profits)

The turnover in 2005 reached Euro 317,851 thousand opposed to Euro 485,612 thousand in 2004 (reduction of 34.6%). The difference was overbalanced by our subsidiary SOVEL S.A., owing to the change of sales policy of our common products. The sold products and by products quantities reached approximately 795 tons in 2005 opposed to 1,207 thousand tons in 2004. Turnover in volume and value are analysed as following:

TURNOVER	2005		2004	
DOMESTIC	Turnover volume (t)	Turnover value (Euro '000)	Turnover volume (t)	Turnover value (Euro '000)
Products - merchandise	550,075	226,263	867,134	371,062
By products	43,554	4,198	60,154	9,206
FOREIGN				
Products - merchandise - By products	201,717	75,688	280,115	105,344
income from commissions		11,702		
TOTAL	795,346	317,851	1,207,403	485,612

Gross profits in 2005 amounted to € Euro 38.263 thousand against Euro 63.679 thousand in 2004.

2. Administrative expenses – Distribution expenses

(in Euro '000)	2005	2004
Administrative expenses	12,597	12,912
Distribution expenses	20,762	24,265
Total	33,359	37,177
% on turnover	10.50%	7.66%

3. Financial results

INCOME (in Euro '000)	2005	2004
Income from participations (dividends incomes)	16,785	802
Income from interest rate swaps contracts	313	280
Credit Interest & related income	17	14
TOTAL	17,115	1,096
% of turnover	5.38%	0.22%

EXPENSES (in Euro '000)	2005	2004
Holdings expenses	0	1
Debit Interest & related expenses	9,393	8,848
TOTAL	9,393	8,849
% of turnover	2.95%	1.82%

The financial expenses appear risen, owing to the rise of short-term debt.

The financial incomes appear risen, owing the rise of subsidiaries' profits.

PRODUCTION

In 2005 the total production of finalized products in our Thessalonica plant, as well as the production of the plant of SOVEL S.A. subsidiary, in Almyros in Volos, reached approximately 711 thousand tons, opposed to 1.050 thousand tons in 2004.

Gross profits available for appropriation, reach Euro 10.539 thousand. The Administration Board recommends the following appropriation of gross profits:

APPROPRIATION STATEMENT	Amounts of current fiscal year (in Euro '000)
Net results (Profit)	15,956
Total	15,956
LESS:	
1. Income tax and OGA contribution	5,107
2. Deferred tax	310
Profits to be distributed	10,539
Profits carried forward	6,751

Total	17,290
The appropriation of profits is as follows:	
1. Regular reserve	543
2. First dividend 0.16 €/ share	15,281
8. Balance of profits carried forward	1,466
TOTAL	17,290

The total proposed net dividend (first and additional) amounts Euro 0.16 per share.

The development of the rest of the items of the balance sheet is as following:

i. Leverage ratio

The Debt to Equity ratio (debt to equity) amounted to 1.09, same as last year.

ii. Liquidity ratio

The liquidity ratio (current assets to short-term liabilities) amounted to 2.1 opposed to 5.1 in the previous year.

iii. Fixed Assets coverage ratio

Assets coverage ratio (equity to fixed assets) amounted to 1.89 opposed to 1.82 in the previous year.

iv. Return on Shareholders equity

Return on shareholders equity (net profit to equity) amounted to 5.8% opposed to 7.6% in the previous year.

v. Investments

The investments carried out of the financial year Euro 5,044 thousand, mainly concern:

- Construction of the building of cutting turtle-scrap
- Upgrade of scrap cranes
- Replacement of pumps of fixed supply with variable
- Improvement of steel industry feed material facilities
- Improvement of furnace switches
- Installation of CANOPY ventilation pipes
- Upgrade of automatic filter motor
- Replacement of filter pipes
- Spare motor roller for position H00-H11
- Self-cleansing roller water filters
- Equalisation of cooling lines TEMPCORE
- New AC & INVERTERS ASLOW
- Reconstruction of heating zone, floor and OFAG bars
- Extension of train network for production storage
- Construction of office building of AEIFOROS
- Improvement of cooling towers of pumping-station
- Construction of waste vehicles' facilities TKZ
- Construction of soft water tank.

For 2006 the following investments are programmed, regarding:

- Reformation of scrap warehouse
- Installation of disc rotor SHREDDER
- Acquisition of FUCHS
- Electromagnetic tank agitation
- Replacement of automatisisation H/D LF
- Extension of filtering surface of filters A
- Upgrade coil lineç
- Moving of roller H5-H00
- New roller table from H5 to hot blade scissors
- Acquisition of logotruck
- Replacement of air compressor with the new type
- Extension of mesh rooms

vi. Other elements

LAND-FIELDS- BUILDINGS

Thessalonica

- At the 12th-13th klm of the national highway Thessalonica-Veria: Land of total size 441,443m² and total value of Euro 6,154 thousand. In the plot above, industrial plants and warehouses have been constructed of total size 77,437.34m² and total value of Euro 23,133 thousand.
- In Halastra community, "Pyrgos" area: land of total size 26,154 m² and total value of Euro 44 thousand.

Aspropyrgos Attikis - Elefsinas

In Aspropyrgos coast:

- a. in Loutzitanía/Kolones site, land of total size 18,423.48 m²
- b. in Loutzitanía/Kalibaki site, land of total size 1,411 m²

The total property value reaches Euro 3.739 thousand. In the Loutzitanía/Kolones land warehouses of 4,084.94 m² have been constructed.

- In St George site or "Duo Pefka", land plot of 16,724.2 m² Euro 2,425 thousand. Industrial plants have been constructed of total size 3,531 m².

Viotia

- In Vateri or Araporema of St Theodore site: land of total size 25,235 m² and total value Euro 404 thousand.
- In Thisvi land of total size 607,941 m² and total value Euro 3,344 thousand.

Almyros Volou

- In Tenta or Alguini site of Platanos community of Almyros, in the Prefecture of Magnesia, land of total size 53,059 m² and value Euro 371 thousand.
- In Tsigeli of of Platanos community of Almyros, in the Prefecture of Magnesia, land of total size 424,551.9 m² and value Euro 3,173 thousand. In the previously mentioned land plot there is an industry plant and buildings of total size 9,060m² and value Euro 3,448 thousand.

Athens

- In Maroussi of Attica at 16 Heimarras St, in a building block (offices – exhibition centre) of total size 4,788m², built on third party property of 16,634m².

- a. 22% of the size of 3.748m² (825m²). The exploitation of the building by the lessee is bound for 12 years, from 01.02.1994 until 31.01.2006 and when the lease is completed, the property ownership will be granted to the property owners (lessors).
 - b. 26% of the extension completed in 1998, of total size 1,040m² (270m²). The exploitation of the building by the lessees is bound for 10 years and 6 months, from 01.09.1998 until 28.02.2009 and when the lease is completed, the property ownership will be granted to the property owners (lessors). Our participation in the construction cost reached Euro 652 thousand.
- In Halandri of Attica, at 57 Ethnikis Antistaseos St, built on a third party property of total size 4.050,05m²

The exploitation of:

- 3^d floor of total size 480.50m²
- 4th of total size 477.00m²
- 15 lots of parking space, which are situated at the building's basement, of total size 200m² by the lessees have a 16th -year and 2-month duration, from 1/1/2004 until 28/2/2019. When the lease is completed, the property ownership will be granted to the property owners (lessors). The participation in the construction cost, until 31/12/2003, has reached Euro 2,635 thousand.

Grevena

- In Skoumtsa site of Tournikio on Gevena, property of 244,715m²
- In Vourinio Kozanis Grevenon property of 127,623.55m². Buildings and other facilities are situated in this property of total size 2.584m²
- The total value of land property reaches Euro 651 thousand and the total value of buildings Euro 368 thousand.

There are no mortgages and prenotifications.

Comprehensive tables and property and building tables are following as described:

LAND-FIELDS

AREA	SIZE (m²)	ACQUISITION (Euro '000)	VALUE
THESSALONICA	467.597	6.198	
ASPROPYRGOS	36.558	6.164	
THIVA	25.235	404	
THISVI	607.941	3.344	
ALMYROS VOLOU	477.611	3.544	
GREVENA	372.339	651	
TOTAL	1.987.281	20.305	

BUILDINGS-INFRASTRUCTURE WORKS

AREA	SIZE (m²)	ACQUISITION (Euro '000)	VALUE
THESSALONICA	77,437	23,133	
ALMYROS VOLOU	9,060	3,448	
GREVENA	2,584	368	
THISVI	0	3	
ATHENS	1,095	254	

ASPROPYRGOS	7,616	3,219
TOTAL	97,792	30,425

BALANCE SHEET OF FINANCIAL YEAR 2005
ASSETS
1. Intangible assets
(Euro '000)

	ACQUISITION VALUE
Software	43,262
TOTAL	43,262

2. Tangible Assets

The variations in the company's tangible assets are shown in the accompanying table in the financial statements.

3. Participations and other long term receivables

The company directly participates in the following companies with the participation percentage of each:

PARTICIPATION ANALYTICAL TABLE

COMPANY	COMPANY NUMBER OF SHARES	CURRENC Y	NOM. VALUE	ACQUISITION VALUE (€)	% PARTIC.
SOVEL S.A.	1,193,400	€	34.34	61,339,259.73	61.45%
DEPAL S.A.	213,250	€	6.75	2,203,322.47	90.92%
STOMANA INDUSTRY S.A.	633,189	BGN	100.00	32,656,980.26	85.97%
ERLIKON WIRE PROCESSING S.A.	558,448	€	10.20	5,630,181.18	98.92%
AEIFOROS S.A.	160,000	€	3.00	540,000.00	90.00%
ETAL S.A.	1,172,550	€	2.93	2,860,515.04	83.26%
PROSAL	173,330	€	3.00	363,993.00	70.00%
TEPRO STEEL EAD	98,290	BGN	100.00	5,025,565.00	100.00%
ELMONTE HOLDINGS LIMITED	54,989,641	CYP	1.00	125,571,274.81	100.00%
BOZETTI LTD	1,000	CYP	1.00	1,733.01	100.00%
BEMET S.A.	20,000	€	3.00	59,997.00	99.99%
ETIL S.A.	2,572	€	62.48	26,350.72	3.89%
STEEL CAGES LATERAL REINFORCEMENT SYS LTD	1,000	CYP	1.00	997.20	57.00%
PRAKSYS	20,000	€	3.00	30,600.00	51.00%
FITCO S.A.	24,000	€	5.87	126,779.16	90.00%
SIDMA S.A.	10,000,000	€	1.35	3,423,174.94	6.50%
DIA.VI.PE.THIV.	64,000	€	20.00	939,400.00	30.50%
DIAPEM S.A.	27,260	€	29.35	266,827.03	33.35%
VEPEM S.A.	20,000	€	2.93	29,300.00	50.00%

METALLOURGIA ATTIKIS S.A.	19,988	€	86.00	1,811,874.31	50.00%
EL.KE.ME. S.A.	70,000	€	2.94	305,283.26	20.00%
ANAMET S.A.	12,000	€	50.00	100,000.83	16.67%
ELLINIKI HALYVDEMPORIKIS.A.	746,488	€	1.17	228,671.50	10.45%
DOMOPLEX LTD	280,000	CYP	1.00	41,520.18	12.86%
ANAPTYXIAKI MAGNISIAS CO S.A.	14,005	€	29.35	4,813.40	1.17%
EVETAM S.A.	5,814	€	73.37	11,738.81	2.75%
MOTOR OIL	110,782,980	€	0.30	5,150.00	0.0005%
THESSALY TECHNOLOGICAL PARK S.A.	201,859	€	2.94	23,399.46	3.94%
TEPRO METALL AG	11,042	€	512.00	1,218,917.08	12.77%
STOCK DEPRECIATION				-44,900,822.35	
TOTAL				199,946,797.03	

The depreciation of participations concerns the following companies:

1. ELMONTE HOLDINGS LIMITED	44,545,371.69
2. FITCO S.A.	126,779.16
3. ELLINIKI HALYVDEMPORIKI	<u>228,671.50</u>
4. TOTAL	44,900,822.35

4. Inventories

The inventories, concerning raw and subsidiary material, package material and finalized or semi-finalized products were estimated with the weighted average monthly price.

5. Receivables

A) Trade receivables

The amount of Euro 37,826 thousand represents the trade receivables balance on 31.12.2005.

B) Receivable cheques

In portfolio on 31.12.2005	€	51,316 th.
delayed (sealed)	€	<u>289 th.</u>
TOTAL	€	51,605 th.

6. Cash and cash equivalents

1. Cash on 31.12.2005	€	71 th.
2. Short term cash deposits on 31.12.2005	€	<u>7,794 th.</u>
TOTAL	€	7,865 th.

LIABILITIES

1. Share Capital

Share capital amounted to Euro 39,157,716 and is divided in 95,506,626 common shares, of nominal value Euro 0.41 each.

2. Share premium

The share premium account amounts to Euro 118,091,070

3. Reserves

A. Regular reserve	€ 8,262 th.
B. Other reserves	€ 146 th.
c. Tax-exempt reserves based on the provision of special laws	€ 45,836 th.
d. Fair Value reserves SWAPS	€ -616 th.
TOTAL	€ 53,628 th.

The above were formed after profit distribution of financial year 2004.

4. Long term liabilities

They involve corporate bond loans reaching Euro 138,750 thousand, bank loans reaching Euro 25,318 thousand, due after the end of the following financial year, derivatives financial items Euro 821 thousand, deferred tax liabilities of Euro 23.672 thousand, provision for staff compensations ero 1.773 thousand and investments subsidies Euro 561 thousand.

5. Short term liabilities

They involve liabilities deriving from the transactional activity of the company.

(Euro '000)

Suppliers	15,553
Short term bank debt	23,778
Customers' advances	2,992
Tax – Duties Payable	1,178
Social Security Funds Payable	641
Long-term liabilities falling due	58,159
Dividends Payable	10
Sundry Creditors	2,201
Transitional Accounts	4,123
TOTAL	108,635

Finally, we would like to point out the fact that up to date there are not any present or future significant losses that affect the company's statements for the previous or future financial years, while we would like to draw your attention to the attachment of the present report, which is an integral part of.

In addition we would like to inform you that the company's orientation is basically the broader Balkan market, as our up to date sales lead us to optimistic predictions related to export increase.

Dear shareholders, we have the honour of requesting the approval of the submitted financial statements of the fiscal year 2005. In addition, you are kindly expected to decide on any related issues of the daily agenda of the present General Meeting.

THE BOARD OF DIRECTORS

Exact extract of the minutes book of the Board of Directors Meetings.

Certified Auditors Report**To the Shareholders of SIDENOR Steel Products Manufacturing Company S.A.**

We have audited the accompanying balance sheet of SIDENOR Company (the "company") as well as the consolidated balance sheet of the company and its subsidiaries (the "group") of 31st December 2005 and the related financial statements, cash flows and changes in share holders equity of the company and the group, for the ended financial year on 31st December 2005. The responsibility of the compilation of the financial statements shown on pages 1 to 57, lies in the administration of the company. Our responsibility is limited to the formation and expression of opinion regarding the financial statements based on the conducted audit.

Our audit was conducted in accordance with the Greek Auditing Standards which are in compliance with the International Auditing Standards. These standards require the planning and execution of the audit in a way that ensures with plausible certainty that the financial statements are free from significant inaccuracies and omissions. The audit comprises examination, by sampling, of evidence that support the sums and the information entailed in the financial statements. The audit also includes the evaluation of accounting standards followed, the company's administration's estimations and generally the data presentation in

the financial statements as well as the accordance of the company's administration's statement content. We strongly believe that the conducted audit provides sufficient base for our reaching to a conclusion.

In our opinion, the previously mentioned companies' and consolidated financial statements plausibly present from every essential aspect the financial status of the company and the group on the 31st December 2005 as well as the results of their operations and cash flows for the financial year that ended on that date, in accordance with the International Financial Report Standards, as constituted by the European Union and the content of the Administration Board Report is in compliance with the previously mentioned financial statements.

Athens, 27 February 2006



Price Water House Coopers
Certified Audit Company S.A.

Certified Accountant-Auditors

THE CERTIFIED AUDITOR

Kiriakos Riris

Reg.No. SOEL 12111

6. Report of article par. 4 of law N.3016/2002

About the company's transactions with affiliated companies, under article 42e, par. 5 of law N.2190/1920, companies during the financial year 2005.

During the financial year 2005 the company's transactions with the companies above were as listed in detail:

COMPANY	a. Sales to	b. Purchases from	c. BALANCE	
			Debits	CREDITS
SOVEL S.A.	30.326.670,40	55.421.657,00		40.885,25
PROSAL S.A.	86.156,83	16.634,97	3.324.245,45	
STOMANA SA	45.557.067,96	18.843.279,34	14.482.429,20	2.777.244,55
DEPAL S.A.	217.824,59	1.531.871,50	61.122,08	1.982.493,00
ETIL S.A.	38.449,84	6.657.714,12	396.500,00	316.764,06
ARGOS S.A.	20.888,74	37.040,32	0,00	14.010,00
ERLIKON S.A.	9.789.771,42	290.291,78	2.566.299,98	0,00
ETAL S.A.	902.772,22	0,00	568.650,70	0,00
AEIFOROS S.A.	715.159,21	594.854,04	97.780,56	0,00
VET S.A.	25.186,09	4.769.704,18	12.250,88	16.028,84
PRAKSYS S.A.	2.165,17	197.391,08	0,00	59.457,50
DIVIPETHIV S.A.	0,00	14.966,94	17.762,33	0,00
METALLOURGIA KORINTHOU	0,00	141.107,97	16.579,33	167.918,49
CORINTH PIPEWORKS S.A.	137.330,76	876.709,31	174.238,00	0,00
TOTAL	87.819.443,23	89.393.222,55	21.717.858,51	5.374.801,69

7. Information on article 10 N.3401/2005

The following announcements-notifications, regarding the time period 1.1-31.12.2005, have been sent to the Daily Stock Newsletter and are attached in the website of Athens Stock Market Χρηματιστηρίου Αξιών Αθηνών www.ase.gr.

13.1.2005 – Recommendation of the Board I Directors of the company to the General Shareholders Meeting, regarding the ex-dividend and derivatives expiration dates.

1.2.2005 – Change of composition of the company's Board of Directors

25.2.2005 – Change of company's headquarters.

25.2.2005 – Program of intended corporate actions

3.3.2005 – Publication of financial statements and consolidated financial statements of 31st December 2004.

3.3.2005 – Public Newsletter: the total financial amounts and statements of 2004 were presented on Wednesday 2 March 2005, to the Members of Athens Exchange (SMECHA), by the company SIDENOR S.A.

30.3.2005 – Publication of amended financial statements and consolidated financial statements of 31st December 2004.

30.3.2005 – Announcement of justification regarding the amended financial statements and consolidated financial statements of 31st December 2004.

5.5.2005 – Temporary assignment of General Manager duties to the deputy general Manager.

23.5.2005 – New General Manager of the company

13.6.2005 – Decisions of Annual General Shareholders Meeting

13.6.2006 – Public Newsletter: the annual General Shareholders Meeting was held on Monday 13 June 2005 during which the company's BoD presented to the shareholders the financial statements of 2004, as well as 2005 prospects.

22.6.2005 – Announcement regarding the ex-dividend and dividend payment dates of the financial year 2004.

22.6.2005 – Public Newsletter: the total financial amounts, the productive structure, its range's products, as well as the statements of 2004 and 2005 prospects, were presented on Wednesday 22 June, at the Institutional Member's Union, by the company SIDENOR.

4.7.2005 – Financial statement and consolidated financial statement publication, in accordance with the International Report Financial Standards of the 1st trimester of 2005.

22.7.2005 – Comments regarding publication about subsidiary company STOMANA INDUSTRY S.A.

30.8.2005 – Announcement: the company CORINTH PIPEWORKS S.A. has terminated the operation of its plant in Corinth.

4.10.2005 – Financial statement and consolidated financial statement publication, in accordance with the International Report Financial Standards of the 2nd trimester of 2005.

30.11.2005 – Market maker assigned regarding common listed stocks of the company.

2.12.2005 – Financial statement and consolidated financial statement publication, in accordance with the International Report Financial Standards of the 3^d trimester of 2005.

8. Website Address of the company

In our company's, www.sidenor.gr the annual financial statements are attached, the certificates of the certified accountant-auditors and the Board of Directors reports of the companies under the regulations of article 134, par. 1 of law N 2190/1920 and are consolidated by the company.